

Good the right to
repatriate all capital,



**ASSIGN
BUSTER**

Good Day Everyone, Please see below my contribution towards this week's discussion.

Consider international trade in the context of your own country. Do you think that the support at a national level is adequate to promote the trade expansion of MNCs? I do agree that the support of national bodies, which in this case is the Saint Lucian government, has been adequate to aid promote the trade expansion of multinational corporations in my country. In fact, a visit to Saint Lucia should be able to verify the imprint of many multinational corporations such as Scotiabank, Sandal Hotels, Subway, KFC, Dominos and so forth. The Government of Saint Lucia strongly encourages foreign direct investment, particularly in tourism and hotel development, information and communication technology (ICT), manufacturing and international financial services. They facilitate this by allowing companies registered in Saint Lucia to have the right to repatriate all capital, royalties, dividends and profits free of all government taxes or any other charges on foreign exchange transactions.

Additionally, at the standard corporate income tax rate is 30 percent, an International Business Company (IBC) may elect to be exempted from paying income tax or to be liable to income tax on the chargeable income of the company at the rate of 1 percent. Full exemption from import duties on parts, raw materials, and production machinery is also available. Can you recommend any support structures that either nationally or regionally could be put in place to facilitate the financial operations of MNCs? As a recommendation, I do believe that the government should also offer support through tax schemes for projects that may socially benefit the economy such

as Research & Development Tax Credits and capital allowances to reduce tax liabilities. These schemes should recognize the additional cost for businesses that adopt or engage in investments that improve energy efficiency and reduce environmental impact. In addition to the Invest Saint Lucia Act No. 14 of 2014, which addresses government policy to attract investment, the Trade License Act, Development Incentives Act, Special Development Areas Act, Income Tax Act, Free Zones Act, Tourism Development Act, and Fiscal Incentives Act, all have some impact on the facilitation of the financial operations of MNCs.

For instance, the Fiscal Incentives Act provides a list of incentives including a tax holiday of up to 15 years for approved projects; a waiver of import duty and consumption tax on imported machinery and plant equipment.