



Circular No. 4 of 2020

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Applicability of taxes under the Income and Non-Monetary Benefit Tax Act to ITZ operators

The Financial Services Authority (“FSA”) would like to draw the attention of all its licensees under the International Trade Zone Act, 1995 (“ITZ Act”) on their tax liabilities under Income and Non-Monetary Benefit Tax (“INMBT”) Act on emoluments and non-monetary benefits being offered to employees of ITZ licensees.

Whilst the schedule of the ITZ Act lists the non-applicability of the Social Security Act to ITZ licensees, it should be noted that the Social Security Act has been repealed and was replaced by the INMBT Act. The change in the tax regime did not apply to ITZ licensees in view that the INMBT Act did not and still does not feature in the non-applicability schedule. Henceforth, emolument paid to employees by an ITZ licensees and non-monetary benefit shall be liable to income tax and non-monetary benefit tax respectively in line with the INMBT Act.

However, in relation to non-monetary benefit, schedule four of the INMBT Act, provides certain degree of concessions and exemption depending on the non-monetary benefit and its value.

Please note that the Seychelles Revenue Commission (SRC) in conjunction with the FSA would be undertaking an exercise to identify existing licensees who have outstanding tax and unpaid liabilities. The SRC would be liaising with existing licensees to settle their liabilities and if need-be agree on repayment plan.

Financial Services Authority