Statutory Instrument No. 50 of 2002

INCOME TAX ACT
(No. 12 of 1995)

INTERNATIONAL FINANCIAL SERVICES CENTRE CERTIFICATION COMMITTEE ORDER, 2002

(Published on 28th June, 2002)

ARRANGEMENT OF PARAGRAPHS

PARAGRAPHS

IN EXERCISE of the powers conferred on him by section 137(1) of the Income Tax Act, 1995, the Minister of Finance and Development Planning hereby makes the following Order —

1. This Order may be cited as the International Financial Services Centre Certification Order, 2002. Citation

2. In this Order, unless the context otherwise requires — Interpretation

"Committee" means the International Financial Services Centre Certification Committee;

"International Financial Services Centre" or "IFSC" means the entirety of the international financial services companies and their respective approved financial operations and those institutions, which have been appointed to regulate and supervise such companies;

"Marketing Agency" means, for the purposes of marketing the IFSC, the Botswana Development Corporation Limited (BDC), or any other institution that may be assigned the responsibility of marketing the IFSC; and

"Minister" means the Minister of Finance and Development Planning.

3. (1) There is hereby established an IFSC Certification Committee which shall consist of the following ten members to be appointed by the Minister — Establishment of IFSC Certification Committee

(*a*) the Secretary for Financial Affairs, Ministry of Finance and Development Planning, who shall be the Chairman of the Committee;

(*b*) the Director, Tax Policy Unit in the Ministry of Finance and Development Planning;

(*c*) the Chief Finance Administrator (Insurance), Ministry of Finance and Development Planning;

(*d*) the Commissioner of Taxes;

(*e*) the Principal Inspector - Special Duties and the Secretariat, Department of Taxes;

(*f*) the Director of Financial Institutions Department, Bank of Botswana;
(*g*) the Principal Bank Examiner (Non- Bank Operations), Bank of Botswana;
(*h*) the IFSC Resident Project Manager;
(*i*) the Management Accountant, Botswana Development Corporation Limited; and
(*j*) the Chief Executive Officer, Botswana Export Development Investment Authority.

(2) The appointments shall be deemed to have come into effect on the 15th November, 2001 and shall be for a period of two years.

(3) The Committee shall elect, from among its members, a Vice-Chairman.

(4) The members of the Committee shall be eligible for re-appointment.

(5) The Minister may appoint such person as he considers appropriate to be the alternate of a specified member of the Committee and may terminate the appointment at any time.

(6) The alternate member of a member of the Committee shall, in the event of the absence of that member from a meeting of the Committee, attend the meeting, and shall, when so attending, be regarded as a member of the Committee.

Functions of the Committee

4. The Committee shall —
(*a*) determine the procedures to be followed in the assessment of applications for tax certificates;
(*b*) review all applications for a tax certificate referred to it by the Marketing Agency; and
(*c*) make recommendations to the Minister in relation to the grant and revocation of tax certificates including any conditions to be attached thereto.

Meetings of the Committee

5. (1) Subject to the provisions of this Order, the Committee shall regulate its own procedure.

(2) The Committee shall meet as often as is necessary or expedient for the discharge of its functions, and such meetings shall be held at such time and place as the Chairman may determine.

(3) Six members of the Committee, at least four of whom shall be from the Ministry of Finance and Development Planning, the Department of Taxes, IFSC and the Bank of Botswana respectively, shall form a quorum.

(4) The decisions of the Committee shall be by a majority of votes and, in the event of an equality of votes, the Chairman shall have a casting vote in addition to his deliberate vote.

(5) Minutes of each meeting of the Committee shall be kept and shall be confirmed at a subsequent meeting of the Committee.

Application for tax certificate

6. (1) A company applying for a tax certificate shall prepare the application for such certificate in conjunction with the Marketing Agency and the application shall be supported by a business plan for a three to five year period including the following —
(*a*) general information on the promoting company, outlining its activities, size, history, performance and principal shareholders, as well as its profit and loss accounts and balance sheets for the past three years;
(*b*) detailed particulars of the activity in respect of which the tax certificate is sought; and

(*c*) a summary of the plans to market and promote the proposed service together with an assessment of the potential for employment creation in Botswana.

(2) The Marketing Agency shall, once satisfied that an application for a tax certificate contains the necessary information, including the information referred to in subparagraph (1) above, refer the application to the Committee.

7. The International Financial Services Centre Certification Committee Order, 1999 is hereby revoked. Revocation of S.I. No. 115 of 1999

MADE this 19th day of June, 2002.

B. GAOLATHE,
Minister of Finance and Development Planning.