

GOVERNMENT ANNOUNCES TAX RELIEF ON FOOD AND HEALTH ITEMS

Basseterre, St. Kitts, December 03, 2014 (SKNIS): The improving economic environment and positive projected outlook has enabled the Government of St. Kitts and Nevis “to share the benefits of the new economy” with citizens and residents.

At a press conference on Wednesday (December 03) Prime Minister the Right Honourable Dr. Denzil Douglas unveiled “The Family Shopping List” – a tax relief measure that removes Import Duty and the Value Added Tax (VAT) from a range of items grouped under three headings: Balanced Diet, Health and Hygiene and Childcare and Education.

Under Balanced Diet the following are listed:

Chicken (Fresh or Frozen), Beef (Fresh or Frozen), Turkey, Mutton, Lamb, Pork, Oxtail, Ham (Fresh, Chilled or Frozen), Pigtails, Pig Ears, Pig’s Feet and Pig Snout (whether Frozen or in Brine), Mackerel, Herring, Saltfish, Canned and other Sausages, Corned Beef, Salmon (Fresh, Frozen or Canned), Sardines, Tuna, Cheese, Vegetable Oil, Soya Bean Oil, Canola Oil, Sunflower Oil, Corn Oil, Coconut Oil, Olive Oil, Margarine, Shortening, Uncooked Pasta, Cornmeal and Corn Flour, Tomato Ketchup, Cereals, Grapes, Apples, Kiwi, Pears, Powdered Drink Mix, Peas, Beans and other Legumes (Canned or Dried).

Health and Hygiene lists the following products:

Deodorants, Body Wash and Soaps, Toothpaste, Toilet Paper, Mouth Wash, Shampoo, Conditioner, Body Lotion, Sanitary Napkins, Detergents, Bleach, Household Disinfectants, Dishwashing Liquids, Mosquito Coils, Insecticides, Rodenticides and Adult Diapers. Medicines are not listed as they were previously designated as zero rated VAT items.

Items under the Childcare and Education category are:

Children Diapers, Fruit and Vegetable Juices designated for infant use and Exercise Books.

The exemptions are expected to cost the Government approximately \$17 million in tax revenue annually Prime Minister Douglas stated. He stressed however that the tax relief will allow greater purchasing power for consumers and is in keeping with his Government’s efforts to control the cost of living and the cost of doing business in the Federation.

The changes are expected to take immediate effect the Prime Minister announced.

SKNIS Photo 1: Residents like those shown here with Prime Minister Douglas will have greater purchasing power.



SKNIS Photo 2: Tax relief on ham and cheese are expected to lower the cost on a number of products



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