



**CENTRAL BANK OF BARBADOS
EXCHANGE CONTROL ACT, CAP. 71**

**EXCHANGE CONTROL CIRCULAR
NUMBER 7
FEBRUARY 2020**

**TO: AUTHORISED DEALERS AND
AUTHORISED DEPOSITARIES**

**REMITTANCE OF DIVIDENDS, PROFITS, INTEREST
AND RENTAL INCOME FROM REAL ESTATE TO NON-RESIDENTS**

This Circular sets out the conditions under which dividends, profits, interest, and rental income from real estate associated with investment activities and due to non-residents may be remitted to them abroad.

1. Dividends and Profits

Authorised Dealers may approve, without reference to the Bank, the annual remittance abroad of dividends and profits up to the equivalent of BDS\$500,000 due and payable by companies resident in Barbados to beneficial owners (individuals or companies) resident outside of Barbados provided the applicants have submitted the relevant support documentation, as cited below.

All applications for remittances of dividends and profits (under delegated authority or directly to the Bank in physical or electronic format) must be completed on Form FC (Not for Imports) and supported by the following documentation:

- a) a Tax Clearance Certificate from Barbados Revenue Authority; and
- b) evidence of investment of funds into Barbados by way of a confirmation letter or Form FI from the Bank.

Except with the permission of the Bank, companies located abroad that are owned by Barbadian residents may not be permitted to remit dividends and service fees outside of Barbados.

Requests to remit funds from a resident company to another company in the group located outside of Barbados must be supported by documentation to confirm that the funds are due and payable.

2. **Interest**

In the case of the remittance of interest abroad, Authorised Dealers may approve the full amount of interest per transaction per non-resident beneficiary provided that the loans and their terms and conditions have first been approved by the Bank. Applications in physical or electronic format must be made on Form FC (Not for Imports) and supported by a copy of the loan agreement detailing the terms of the loans, including:

- i. name of borrower;
- ii. name of lender; and
- iii. rate of interest and period for which interest is payable.

In addition, evidence that the loan funds or assets financed by the loan were received in Barbados, must be provided.

3. **Rental Income from Real Estate**

Authorised Dealers may also approve the remittance abroad of rental income from real estate located in Barbados: up to the equivalent of BDS\$250,000 in foreign currency per transaction per non-resident beneficiary. Applications in physical or electronic format must be made on Form FC (Not for Imports) and supported by:

- i. a copy of the rental agreement; and
- ii. the receipt for payment of land tax.



Ian R. Collymore
Director,
Foreign Exchange & Export Credits Department