



POCKET GUIDE

**DOING BUSINESS
IN GUYANA
2023**



TABLE OF CONTENTS

I	Introduction	3
II	Key facts	4
III	Business start up	5
IV	Registering with authorities	7
V	Visas and work permits	9
VI	Tax	11
VII	Talent acquisition and payroll	15
VIII	Local content	17
IX	Attractive investment opportunities	19
X	About BDO	21

INTRODUCTION

This publication has been prepared by BDO with the aim of providing general guidance on doing business in Guyana. Based on actual interaction and questions received from investors; we have designed the document in an easy-to-use FAQ format.

While we endeavoured to include the most important matters, it is not feasible to discuss every subject in comprehensive detail. Additionally, changes to legislation may occur at any time.

If you would like to know more, please contact us. We will be able to provide you with information on any further issues and on the impact of any recent legislative or other development.





KEY FACTS

Official name: Co-operative Republic of Guyana

Capital city: Georgetown

Area: 83,000 square miles

Population: 788,000 (approx.)

Official language: English

Currency: Guyanese dollar

Exchange rate: US\$1 to \$208.5

GDP per capita: US\$19,252.7 (2022)

Geography: The country is divided into four geographical areas: the Low Coastal Plain; the Hilly Sand and Clay Belt; the Highland Region and the Interior Savannas.

Regions: There are 10 administrative regions. The most populated is Region 4 where the capital city is located.

Climate: Tropical with two rainy seasons (May - June and November – January)

Religion: Predominantly Christianity, Hinduism and Islam

Airports: Cheddi Jagan International Airport, Eugene F. Correia International Airport



BUSINESS START UP



I'm interested.
How do I get started?

There are three main forms of business ownership:

- Sole proprietorship
- Partnership
- Company (locally incorporated or foreign registered)

Relevant laws include:

- Business Names (Registration) Act Cap. 90:05
- Partnership Act Cap. 89:02
- Companies Act Cap. 89:01



FAQ

BUSINESS START UP

Q How do I know which business structure is suitable for me?

A There are a number of factors to consider including tax benefits, legal liability and maintenance costs. Please get in touch with one of our experts who will discuss various options based on your eligibility and circumstance.

Q How long does the process take to incorporate or register a new business?

A Approximately 7 working days from the time all signed forms/ documents have been submitted to the authorities.

Q How many directors/ members are required to start a company?

A One person is sufficient to start a company. Additional persons could be added at any time.

Q Am I required to have a local representative as part of the entity?

A A Guyana incorporated company does not require a local representative, but a local power of attorney has to be appointed for foreign registered companies. A local address is needed in all cases.

Q Do I need a minimum amount of capital?

A No, any amount is allowed.

Q Will I be able to send investment funds back home or does it remain in Guyana?

A Your investment and profits can be repatriated at any time provided that the entity can meet its liabilities.

REGISTERING WITH AUTHORITIES



I've formed my business.
What's next?

The most common registrations will be at the Guyana Revenue Authority (tax) and the National Insurance Scheme (social security). These will include:

- Tax Identification Number (TIN) - This is required to transact business with all Government offices
- National Insurance Number - Required by employers, employees and the self employed to remit social security contributions
- Value-Added Tax (VAT) - If you anticipate your income from sale of goods or services which are subject to VAT to exceed \$15 million in any 12 month period you will be required to register

FAQ

REGISTERING WITH AUTHORITIES

Q What kind of documents would I need to start registration with local authorities?

- A**
- Individuals/Directors: Application forms, Passport or National Identification Card, Proof of Address
 - Companies: Application forms, Certificate & Articles of Incorporation; Notices of Director(s), Secretary & Address
 - Foreign registered companies: Application forms, Certificate & Application for Registration
 - NIS (additional): Start date, details of first employee
 - VAT (additional): Documentation to support income projection

Q How soon can I expect these registrations to be completed?

A TIN and VAT typically take one week, however NIS can range from 1-3 months

Q Can all registrations be done online?

A No, while email submission is allowed for TIN & VAT applications, original documents are required for NIS registration.

VISAS AND WORK PERMITS



Can my workers and I live
and work in Guyana?

The list of countries whose nationals can enter Guyana for tourism or business can be accessed on the following site: <https://www.minfor.gov.gy/visa-entry-requirements-countries/>.

Persons entering for employment purposes however must apply for a Permit to Land and a Work Permit.



FAQ

VISAS AND WORK PERMITS

Q What are the required documents to obtain a permit to land/employment visa/work permit in Guyana?

A

- Copy of bio-data page of passport,
- Passport-sized photograph
- Medical certificate
- Police clearance
- Employment contract
- Sponsorship letter from Employer
- Tax and NIS compliance certificates for both employer and employee

Q How long are permits valid for?

A A Permit to Land is only valid for only one trip and may be issued for a second trip. A work permit is valid for up to three years.



TAX



How much tax will I pay
and are there tax
benefits I can access?

Income Tax (personal or corporate) is payable on gains or profits arising from employment, a trade, profession or business carried on in Guyana. Other taxes include Property Tax, Withholding Tax and Capital Gains Tax.

FAQ

TAX

Q What are the rates applicable to the most common taxes?

A These are shown in the table below:

Corporate tax rates	0% (education, medical health care) 25% (non-commercial activities, small businesses) 40% (commercial activities except for telephone companies) 45% (telephone companies)
Personal income tax rates	Personal allowance of \$1,020,000 or $\frac{1}{3}$ of chargeable income First \$2,040,000 at 28% Remainder at 40%
Social security contributions	National insurance subject to an earnings ceiling of \$280,000 per month: Employer – 8.4% Employee – 5.6%
Withholding tax rates	Distributions and payments to non-residents not doing business in Guyana – 20% Payments to non-resident contractors – 10% (creditable) Payments to non-resident insurers – 10%
Value-added tax	14%

See additional rates and other terms in our Tax Facts publication.



TAX

- Q** How will I know if I or my business is classified as Resident or Non-resident?
- A** A resident individual is one who is in Guyana for 183 days or more in a calendar year while a resident company is one for which control and management are exercised in Guyana.
- Q** How do I know if my business is classified as having commercial or non-commercial activities?
- A** Commercial activity means an activity carried out by a company trading in goods not manufactured by it, commission agencies, telecommunications companies, and certain banking and insurance companies.

Examples of commercial and non-commercial activities are as follows:

Commercial	Non-commercial
Distribution, wholesale and retail of goods including:	Manufacturing
- Supermarkets	Recruitment services
- Pharmacies	Restaurants
Travel agencies	Logistics, warehousing

The graphic features a large blue speech bubble with the text 'FAQ' in white. To its left is a smaller blue speech bubble with three white dots. Below these is a large orange telephone handset with a coiled orange cord. The background is a solid light blue.

FAQ

TAX

Q Are there special tax provisions for the Oil and Gas industry?

A Yes, several fiscal incentives are granted to non-resident tier 1 sub-contractors and their expatriate employees through petroleum (production sharing) agreements signed between the Government of Guyana and oil & gas companies (contractor) including the following:

- exemption from 10% withholding tax on payments during exploration phase
- exemption from 20% withholding tax on branch profits
- exemption from corporate income tax where contract undertaking is carried on for 183 days or less in the calendar year
- exemption from individual income tax for expatriate employees where individuals are in Guyana for 183 days or less in the calendar year

The release date for a revised model agreement was 13 February 2023.

TALENT ACQUISITION AND PAYROLL



How is the local labour market and what are my obligations?

The labor market in Guyana is predominantly English speaking, particularly in the urban communities. Skilled workers are in short supply due to the rapid expansion of the economy. Workers are protected under various legislation including the Termination of Employment and Severance Pay Act.



FAQ

TALENT ACQUISITION AND PAYROLL

Q What is the minimum wage in Guyana?

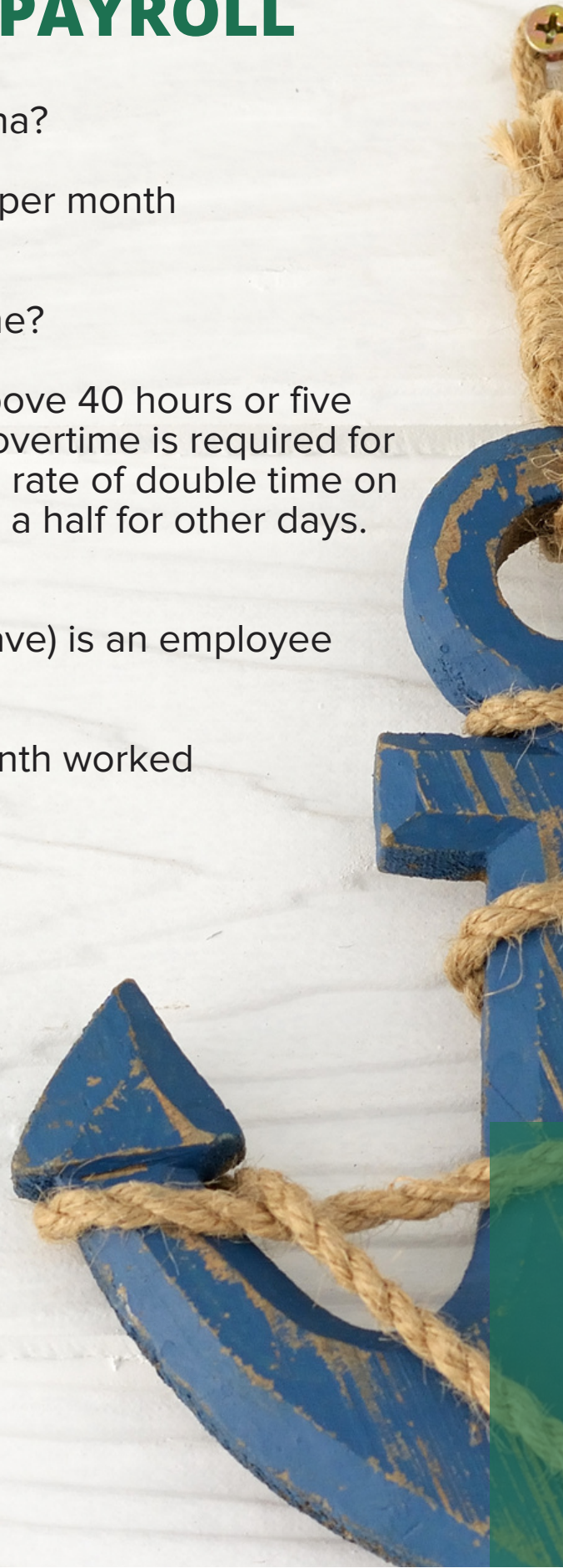
A Currently \$347 per hour or \$60,147 per month

Q Do I have to pay employees overtime?

A Overtime is required for all hours above 40 hours or five days per week. In some industries, overtime is required for all hours above 8 hours per day at a rate of double time on Sundays and Holidays and time and a half for other days.

Q How much paid vacation (annual leave) is an employee entitled to?

A A minimum of one day for every month worked



LOCAL CONTENT



Can I qualify as offering local content?

The Local Content Act of 2021 provides for minimum participation of Guyanese companies in the Oil and gas industry. Operators and their prime contractors need to provide local content plans, train Guyanese and provide frequent reports on their performance.



FAQ

LOCAL CONTENT

- Q** How does an entity qualify as a Guyanese entity?
- A** Entity must have at least 51% Guyanese beneficial ownership, 75% Guyanese executive and senior management and 90% Guyanese non-managerial staffing
- Q** Does a Guyanese national need to be resident to qualify?
- A** No
- Q** Do local content rules apply to all suppliers in the industry?
- A** No, there are 40 sectors and sub-sectors identified in the Act, each with varying levels of required local content.

ATTRACTIVE INVESTMENT OPPORTUNITIES



What else can I do in
Guyana?

Lucrative investment opportunities exist in a number of sectors with incentives offered by the government.



FAQ

ATTRACTIVE INVESTMENT OPPORTUNITIES

Q What are some potential attractive industries?

A Incentives are available in several industries including:

- Agriculture
- Clean energy
- IT services
- Tourism
- Healthcare
- Education

Q Where do I get more information?:

A The Guyana Office for Investment (Go-Invest) promotes and facilitates investment on key first steps. In addition to providing information and guidance, the agency also serves a liaison with government entities.

You can also start your conversation with us - call or visit bdo.gy.

ABOUT BDO

BDO is a global organisation of independent public accounting, tax and advisory firms which perform professional services under the name of BDO.

BDO's brand promise is to be the leader for exceptional client service and when you choose to work with BDO you quickly discover what makes our service offering stand out. BDO offers a comprehensive collection of high-quality tax services and assets designed to support exceptional performance, and all our tax engagements benefit from the hands-on involvement of experienced professionals, backed by world-class resources. BDO's people embrace technology and combine their expertise in this area with the unique relationship-driven and responsive skills we have as human beings to create truly memorable and valuable experiences for our clients. Your advisers are both fit for the future and are agile enough to handle the biggest and the smallest names in the industries we serve.

We work hard to understand our clients' businesses and ensure that we match both our service offering and our people to their complex individual needs. We believe that providing our clients with access to experienced professionals who are actively engaged in addressing their tax and business issues is the most reliable way to provide exceptional service, always with a strong focus on trust and transparency.

Regardless of your location, size or international ambitions we can provide effective support as you expand into new areas of the world. In an ever-evolving economic environment, businesses need a global organisation that provides exceptional, bespoke service combined with local knowledge and expertise. BDO is uniquely positioned to serve this demand, providing effective support and a truly global integrated global footprint.

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