

**POLICY GUIDELINES GOVERNING "EXCLUSIVE SHOPS" IN  
SEYCHELLES**

**1.0            Registration**

- 1.1 All parties wishing to set up an "Exclusive Shop" shall submit a project Memorandum to the Seychelles Investment Bureau.
- 1.2 Upon approval the operator shall register with SLA and obtain an Importer /and Retailer license, in respect of each "Exclusive Shop".
- 1.3 A license fee to be paid in foreign exchange at 5,000 Euros per annum.

**2.0            Criteria**

- 2.1 Only "exclusive" valuable items shall be sold (Items listed in Annex 1).
- 2.2 Shops should be specially fitted / designed with an aesthetic appeal to match the high cost "exclusive" products being traded.
- 2.3 Shops shall operate independently.

**3.0            Sales**

- 3.1 All Goods approved to be sold in an "Exclusive Shop" shall be exempted from the maximum retail selling price set down in the Trades Tax Regulations. All prices must be displayed in Rupees and in any other convertible foreign currency.
- 3.2 Sales shall be made in a readily convertible foreign currency to tourists and in Seychelles Rupees to local resident.
- 3.3 Goods shall be subject to applicable rates of trades tax at time of importation. GST shall be exempted on the importation of the goods pursuant to Regulation 78, Schedule 3 Item 3 of the GST Regulations.
- 3.4 GST on the sale of goods shall be at a rate of 12% on the full retail sales value. GST shall be remitted to the Business Taxation Division on or before the 21<sup>st</sup> day of the month following the month in which the sales revenue is received. Appropriate sales records shall be maintained to differentiate foreign currencies sales and Seychelles Rupees sales.
- 3.5 GST on sales made in a foreign currency shall be payable to the Business Tax Division in a readily convertible foreign currency whilst the GST on sales made in Seychelles Rupee may be paid in Seychelles Rupees.
- 3.6 GST paid by the Exclusive Shop on the sale of art and craft items where the artist or craftsperson have retained ownership of the items, shall be payable on the amount of commissions retained on such items. The GST on such sales is payable to the Business Taxation Division in the same currency that the sale was made.
- 3.7 Proceeds from sales belonging to an artist or craftsperson in respect of sale of art and craft items, where the artist or craftsperson had retained ownership of the items, shall be payable to the artist or craftsperson in the same currency that the sale was made.
- 3.8 Exclusive Shop Operators will not be assisted through the Commercial Banks for foreign currency requirements.

4.0 **Concessions and Incentives to the Licence**

4.1 **Business Tax:**

- Exemption from payment of Business Tax on the taxable profits. However, all operators shall lodge a Business Tax Return and adhere to all requirements of Business Tax Act.

4.2 **Good and Services Tax (GST):**

- GST shall be exempted at point of entry on imports for resale pursuant to Regulation 78, Schedule 3 Item 3 of the GST Regulations.
- GST on the sale of goods shall be at 12% on the full retail sales value.

5.0 **Other Taxes and Contributions**

5.1 **Social Security Contributions**

- Social Security contributions shall be due at normal rates on the emoluments paid to the employees.

5.2 **Gainful Occupation Permit**

- GOP shall be due at normal rates for a maximum of two expatriates.

6.0 **Documents of "Exclusive Shops"**

6.1 The following documents shall be submitted quarterly to Business Tax Office

- Statement of Inventory
- Damaged Goods Declaration Form (if any)
- Missing Goods Declaration Form (if any)

7.0 **Approved Goods for Retail in "Exclusive Shops"**

7.1 The Licensee of an "Exclusive Shop" shall be required to obtain approval from the Ministry of Finance, as to the specific category and type of goods permitted to be sold in such shops.

7.2 The list of approved goods shall be issued to the licensee of the "Exclusive Shop" and only such specific goods shall be permitted to be sold in such shops.

7.3 Should the Licensee of the "Exclusive Shop" wish to have such approval list of goods extended to cover additional items, approval would be required to be obtained from the Ministry of Finance before such goods will be permitted to be sold.

7.4 The Ministry of Finance may amend the list of goods permitted to be sold in any "Exclusive Shops" by deleting or restricting any category or type of goods which may have been previously approved. The Licensee of an "Exclusive Shop" shall comply with such amended list of approved goods

within the time specified by the Ministry of Finance or any such further time as may be agreed between the Licensee and the Ministry.

**8.0**            **Compliance**

- 8.1    The Licensee shall carry on its operations in conformity with all Regulations, rules and procedures of the Government (eg. Central Bank of Seychelles, Ministry of Finance, Seychelles Licensing Authority etc..)

**9.0**            **Quality**

- 9.1    All goods for sale must be original (authentic).  
9.2    All goods for sale must meet the international quality requirements.  
9.3    Designer clothing. The investor must provide a copy of an agreement allowing trading under the designer brand name.  
9.4    Original branded fragrances

**10.0**          **Foreign Exchange Retention Account**

- 10.1   The Licensee will be permitted to operate a foreign exchange account with 100% retention. Approval must be sought with the Central Bank of Seychelles. Please note that all matters dealing with the issue of foreign currency transactions and retentions must be in accordance with the laws and directives of Central Bank of Seychelles.

## ANNEX 1

### “EXCLUSIVE” ITEMS TO BE SOLD

1. Exclusive Silk carpets, woolen carpets, dhurries and chain-stitch carpets
2. Crafted wooden ship models
3. Designer luggage and suitcases
4. Exclusive jewellery including items incorporating precious and semi-precious stones
5. Exclusive articles of goldsmiths or silversmiths and articles of precious metals or metal clad with precious metals
6. Exclusive brand name pens and watches
7. Exclusive gift sets
8. Original branded perfume and fragrances
9. Locally manufactured toiletries
10. Designer Branded Clothing
11. Original branded handbags
12. Original branded belts
13. Original branded sunglasses

## ANNEX 2

Tariff Item	Description of goods
57.01	<b>Carpets and other textile floor coverings, knotted, whether or not made up.</b>
5701.1000	- Of wool or fine animal hair
5701.9000	- Of other textile materials
57.02	<b>Carpets and other textile floor coverings, woven, not tufted or flocked, whether or not made up, including "Kelem", "Schumacks", "Karamanie" and similar hand-woven rugs.</b>
5702.1000	- Kelem, Schumacks, Karamanie and similar hand-woven rugs
	- Other, not of pile construction, made up :
5702.9100	-- Of wool or fine animal hair
5702.9200	-- Of man-made textile materials
5702.9900	-- Of other textile materials
44.20	<b>Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, similar articles, of wood; statuettes and other ornaments, of wood; wooden articles of furniture not falling in Chapter 94.</b>
4420.9000	- Other
91.01	<b>Wrist-watches, pocket-watches and other watches, including stop-watches, with case of precious metal or of metal clad with precious metal.</b>
	- Wrist-watches, battery or accumulator powered ;
9101.1100	-- With mechanical display only
9101.2100	-- With automatic winding
91.02	<b>Wrist-watches, pocket-watches and other watches, including stop-watches, other than those of heading No.91.01.</b>
	- Wrist-watches, battery or accumulator powered :
9102.1100	-- With mechanical display only
9102.1200	-- With opto-electronic display only
9102.2100	-- With automatic winding
96.08	<b>Ball point pens; felt tipped and other porous-tipped pens and markers; fountain pens, stylograph pens and other pens; duplicating stylos; propelling or sliding pencils; pen-holders, pencil-holders and similar holders; parts (including ca</b>
9608.1000	- Ball point pens
9708.2000	- Felt tipped and other porous-tipped pens and markers
	- Fountain pens, stylograph pens and other pens:
9608.5000	- Sets of articles from two or more of the foregoing subheadings
9608.6000	- Refills for ball point pens

- 42.02 **Trunks, suit-cases, vanity-cases, executive-cases, brief-cases, school satchels, spectacle cases, binocular cases, camera cases, musical instrument cases, gun cases, holsters and similar containers; travelling-bags, toilet bags, etc**  
 Trunks, suit-cases, vanity-cases, executive-cases, brief-cases, school satchels and similar containers:
- 4202.1100 -- With outer surface of leather, composition or patent leather
- 4202.1300 -- With outer surface of fish leather  
 - Handbags, whether or not with shoulder strap :
- 4202.2100 -- With outer surface of leather, composition or patent leather
- 4202.2300 -- With outer surface of fish leather  
 - Articles of a kind normally carried in the pocket or handbag :
- 4202.3010 -- With outer surface of fish leather
- 4202.3090 -- With outer surface of other leathers - Other
- 4202.9100 -- With outer surface of leather, composition or patent leather
- 4202.9300 -- With outer surface of fish leather

**71.13 Articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal.**

- Of precious metal whether or not plated or clad:
- 7113.1100 -- Of silver
- 7113.1900 -- Of other precious metals
- 7113.2000 - Of base metal clad with precious metal

**71.14 Articles of goldsmiths' or silversmiths' wares and parts thereof, of precious metal or of metal clad with precious metal.**

- Of precious metal whether or not plated or clad:
- 7114.1100 -- Of silver
- 7114.1900 -- Of other precious metals
- 7114.2000 - Of base metal clad with precious metal

**71.15 Other articles of precious metal or of metal clad with precious metal.**

- 7115.1000 - Catalysts in the form of wire cloth or grill, of platinum
- 7115.9000 - Other

**71.16 Articles of natural or cultured pearls, precious or semi-precious stones (natural, synthetic or reconstructed).**

- 7116.1000 - Of natural or cultured pearls
- 7116.2000 - Of precious or semi-precious stones