

S.I. 13 of 2025**BUSINESS TAX ACT***(Cap 20)***Business Tax (Exemption of Tax for Infant Companies) Order, 2025**

In the exercise of the powers conferred by section 12(2)(a) of the Business Tax Act, the Minister responsible for Finance makes the following Order —

Citation

1.(1) This Order may be cited as the Business Tax (Exemption of Tax for Infant Companies) Order, 2025 and shall come into operation on 1st January 2025 and be in force until 1st January 2030.

(2) This Order shall apply in respect of exemption of tax for Infant Companies in the manufacturing, the blue economy and digital sectors.

Interpretation

2. In this Order, —

“business” has the same meaning assigned to it in the Business Tax Act;

“infant company” means a business registered in the jurisdiction operating within its first 5 years since registration and engaged in any activity of the sectors specified in this Order.

3.(1) The income derived by any infant company in the sectors and activities as specified in this Order shall, whether the date of operation of activities of the infant company falls prior to coming into operation of this Order or thereafter, be exempt from business tax under the Business Tax Act for a period of 5 years.

(2) For the avoidance of doubt it is stated that, the 5-year period shall be calculated from the date of operation of the activities of the infant company.

4. The activities in the manufacturing sector as described in the Schedule shall be —

- (a) processing and preserving of fruits and vegetables;
- (b) manufacture of dairy products;
- (c) manufacture of other food products;
- (d) manufacture of new final products from organic waste;
- (e) manufacture of botanical products; and
- (f) manufacture of soaps, perfumes and toilet preparations.

5. The activities in the blue economy sector as described in the Schedule shall be —

- (a) aquaculture; and
- (b) marine biotechnology.

6. The activity in the digital economy as described in the Schedule shall be software development.

7. Any infant company granted a tax exemption under this Order shall not be entitled to carry forward a loss to offset a taxable income after the tax exemption period.

SCHEDULE

<u>Sector</u>	<u>Description of Activity</u>
(1) Manufacturing	<p>(a) <u>Processing and preserving of fruit and vegetables</u></p> <p>This sector encompasses the preservation, transformation, and value-added processing of fruits, nuts, and vegetables through methods such as freezing, drying,</p>

and immersion in oil or vinegar. It includes the production of fruit and vegetable-based food products such as juices, concentrates, jams, marmalades, and table jellies.

(b) Manufacture of dairy products

This sector encompasses the processing, production, and commercialization of dairy-based food products, including but not limited to milk, milk-based beverages, yoghurt, cheese, and ice cream. This sector aims to enhance local dairy production.

(c) Manufacture of other food products

This sector comprises the processing, production, and manufacturing of food products incorporating locally sourced ingredients, including but not limited to coffee and its derivatives such as decaffeinated coffee, roasted coffee, ground coffee, soluble coffee, and coffee extracts and concentrates, locally produced juices, tapioca flour, and packaged snacks (including banana, cassava, sweet potato, and potato chips).

(d) Manufacture of new final products from organic waste

This sector encompasses the processing and conversion of organic waste into new finished

goods, including but not limited to fertilizers such as straight or complex nitrogenous, phosphatic, or potassic fertilizers, urea, crude natural phosphates, and crude natural potassium salts as well as associated nitrogen products, including nitric and sulphonitric acids, ammonia, ammonium chloride, ammonium carbonate, and nitrites and nitrates of potassium.

(e) Manufacture of botanical products

This sector encompasses the processing, production, and commercialization of botanical products derived from locally sourced plants for use in industries such as health, wellness, beauty, and food and beverage. It includes, but is not limited to, herbal supplements, essential oils, botanical extracts, teas and infusions, cosmetics and skincare products, spices and flavorings, medicinal plants, natural dyes and pigments, botanical beverages, herbal remedies, traditional medicine, and plant-based foods and ingredients.

(f) Manufacture of soaps, perfumes and toilet preparations

This sector encompasses the production and manufacturing of a wide range of personal care and household products, including but

not limited to organic surface-active agents, soap, crude glycerol, washing powders (solid or liquid), detergents, textile softeners, polishes and creams for leather or wood, deodorants, bath salts, perfumes, toilet preparations, beauty and make-up products, shampoos, dentifrices, oral hygiene preparations, and shaving-related products.

(2) Blue Economy (a) Aquaculture

The cultivation, propagation or farming at sea or on land, of fish from eggs, spawn, spat fingerling or seed, including the rearing and ranching of fish taken locally or imported into Seychelles.

(b) Marine biotechnology

The application of science and technology to living organisms from marine resources, as well as parts, products and models thereof, to alter living or non-living materials for the production of knowledge, goods and services.

(3) Digital Economy Software development.

MADE this 24th day of March, 2025.

**AHMED AFIF
VICE-PRESIDENT**
