

## NOW YOU CAN INVEST IN THE CULTURAL INDUSTRIES AND GET PROFITABLE RETURNS!

### ▶ WHAT IS THE CULTURAL INDUSTRIES DEVELOPMENT AUTHORITY?

The Cultural Industries Development Authority is a statutory agency established under the Cultural Industries Development Act, No.13, 2015 of Barbados, created to promote, assist and facilitate the efficient development of the Cultural Industries.

### ▶ WHAT ARE THE CULTURAL INDUSTRIES?

Cultural industries include those enterprises which provide the general public with commercially viable cultural goods and services that are developed for reproduction and distribution to consumers in the following broad areas:

- i **Arts and Culture** - the performing arts, visual arts, literary arts, photography, craft, culinary arts, libraries, museums, galleries, archives, heritage sites, festivals and art supporting enterprises;
- ii **Design** - advertising, architecture, web and software design, graphics, industrial design, fashion, communications, interior and environmental design;
- iii **Media** - broadcast media including television, radio and cable, digital media including software and computer services, film and video, recorded music and publishing and video games.



## HOW CAN YOU INVEST?

### ▶ YOU CAN INVEST IN THE CULTURAL INDUSTRIES IN SEVERAL WAYS:

- 1 Invest in the Cultural Industries Development (CID) Fund.
- 2 Invest privately in a Cultural Practitioner, Cultural Entrepreneur or Cultural Organization.
- 3 Invest in an Approved Cultural Project.

### ▶ HOW INVESTMENT IS DEFINED FOR THE PURPOSE OF THIS LEGISLATION

Investment is defined as a sum invested with the expectation of receiving a financial return.

This financial return can be measured as set out in the contractual arrangement between the investor and the owners of the instrument for investment. The following are examples of investment:

- 1 If your company/organisation invests in a Cultural Project, Cultural Practitioner, Cultural Entrepreneur or Cultural Organisation via the purchase of Shares with an expected return on those shares, this is investment.
- 2 If your company/organisation invests in a Cultural Project, Cultural Practitioner, Cultural Entrepreneur or Cultural Organisation via the provision of funding with partial, full or accrued earnings (e.g. 10% return on the funding) that funding can be defined as investment as there is an expected return.
- 3 If your company/organisation invests in a Cultural Project, Cultural Practitioner, Cultural Entrepreneur or Cultural Organisation or the Cultural Industries Development fund for the purpose of claiming an Income Tax deduction, this is an investment with an expected financial return.

## ▶ HOW DO YOU **BENEFIT AS AN INVESTOR?**

When investing in a **Cultural Practitioner/ Organisation/ Entrepreneur**, Investors who make an investment in relation to a cultural practitioner for a return on the investment shall receive a 100% deduction of the investment on their assessable income.

**Investors who make an investment in relation to a Cultural Industries enterprise for a return on the investment shall receive a 100% deduction of that investment on their assessable income.** Further, where dividends are paid to shareholders by a corporate entity in relation to an approved cultural project, it shall not be subject to withholding tax. Investors are also exempted from withholding tax on dividends and interest earned on investment in an approved cultural project.

## ▶ WHAT PROOF OF THE **INVESTMENT DO YOU NEED AT FILING FOR INCOME TAX?**

**As an Investor you should have:**

- 1 A copy of the agreement between you and the** Cultural Practitioner; Cultural Entrepreneur or Cultural Organisation, if requested.
- 2 A Copy of the Cultural Industries Certificate and TIN number of the** Cultural Practitioner; Cultural Entrepreneur or Cultural Organisation.
- 3** Where you invest in an approved cultural project you should have **a Copy of the Certificate of the Cultural Approved Project and TIN number of** the Cultural Practitioner; Cultural Entrepreneur or Cultural Organisation.



For more details contact us today at the  
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“To stimulate the growth of the cultural industries through the implementation of effectively designed strategies for the promotion and marketing of Barbadian creative cultural goods, service and experiences”.

## INVESTORS

