

How will Tourism Marketing Tax be calculated if a person owns more than one business?

When a person owns more than one business, all the businesses will be considered as one single business. For example, if a person has three businesses, the turnover of all three businesses will be added up and the person will have to pay 0.5% of TMT on the total turnover for all three businesses.

Seychelles Revenue Commission
Information Brochure
On Tourism Marketing tax

This brochure is not intended as an exhaustive explanation of the law. If you require detailed information about your tax obligations you should visit the SRC or write to us.

For more information

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**TOURISM MARKETING
TAX**



**An explanation about Tourism
Marketing Tax**

What is Tourism Marketing Tax (TMT)?

The Tourism Marketing Tax (TMT) was introduced on the 1st January 2013. This was put in place to get the private sector to contribute more towards tourism marketing. The purpose of this tax is to fund promotion activities in order to market Seychelles as the number one tourist destination in the world.

Who should pay the Tourism Marketing Tax?

Tourism Marketing Tax is imposed on entities whose annual turnover equals to or exceeds SCR 1,000,000. Businesses falling under the following categories will be liable to pay Tourism Marketing Tax:

All tourism operators, namely:

- Hotels, guest houses, self-catering establishments;
- Cafés or restaurants;
- Fixed or rotary wing passenger air transport services;
- Domestic ferry services for the transport of freight or passengers;

- Boat or yacht charterers (including live-aboard);
- Car hire operators;
- Underwater diver operators or dive centres;
- Water sports operators;
- Travel agents;
- Tour operators;
- Tour and or tourist guides;
- Equestrian operators;
- Banks;
- Insurance companies (excluding brokers); and
- Telecommunication service providers.
- Building contractor (class 1)
- Casino operators

The annual turnover of Destination Management Company and Travel Agent shall be calculated on the basis of the commission received.

How and when is Tourism Marketing Tax paid?

Businesses that are required to pay the TMT will have to make payment on a monthly basis in their *Business Activity Statement*. The TMT is calculated based on the gross receipts of the

business during that month, less any VAT collected.

What is the rate of the Tourism Marketing Tax?

The rate of Tourism Marketing Tax payable by a business with an annual turnover of SCR 1,000,000 is 0.5%.

Example 1

A non-VAT registered entity:

In June 2014, a company's turnover is SCR 100,000. Its TMT liability will be 0.5% of SCR 100,000 which is SCR 500.

Example 2

A VAT registered entity:

In June 2014, a VAT registered company's turnover is SCR 100,000. Then approximately SCR 15,000 of the SCR 100,000 will be VAT. Its TMT liability will be calculated as 0.5% of the VAT exclusive turnover which is 0.5% of SCR 85,000 (100,000-15,000), which is SCR 425.