

logo not found or type unknown

St. Kitts, With No Cases of Coronavirus, Closes Borders, Announces Multi-Million Dollar Stimulus Package

Coronavirus / **Published On March 25, 2020 07:34 AM /**

Staff Consortium **March 25, 2020**

Image not found or type unknown



BASSETERRE, St. Kitts, CMC – The St. Kitts-Nevis government Tuesday announced a multi-million dollar stimulus package to deal with the “uncertain times” as the twin island Federation puts in place measures to cope with the impact of the coronavirus (COVID-19).

St. Kitts-Nevis is the only Caribbean Community (CARICOM) country not to report any case of the virus that has killed more than 18,000 people worldwide, and Prime Minister Dr. Timothy Harris told a news conference that the government had also decided to close down the island’s borders from 11:59 pm (local time) on Wednesday until April 7.

He said the package of assistance “is nearly EC\$120 million (One EC dollar=US\$0.37 cents) (and) represents the largest assistance package announced by any government in our region today.

“In addition to current public assistance initiatives to which all affected are entitled to apply...the government’s stimulus package will cushion the impact of the health crisis and evolving economic crisis”.

He said among the initiatives will be a postponement of the payment of property taxes from June to September 2020, as well as the removal of value added tax (VAT) and import duties for a six month period on items such as hand sanitizers, wipes, rubbing alcohol, gloves and masks.

In addition, the government is also removing import duties and customs serving charges on vegetables, fruit, fruit juices and cough and cold medication for six months.

Harris also announced a waiver for the consumption of water for the period April to June for individuals laid off by businesses or experiencing a reduction in earnings. He said there would also be a reduction in consumption taxes from 33 to 25 per cent for the period April to June “for businesses that retain at least 75 per cent of their employees.

“This is a special and significant corporate tax reduction intended to assist businesses whose social corporate responsibilities are such that they will partner with the government and with their employees and help to keep them at work at least 75 per cent of them during this period of difficulty,” he added.

Harris also announced a reduction of unincorporated business tax with the rate moving downwards by 50 per cent to two per cent for the next three month period.

“Additionally we will inject 10 million dollars to boost the production of agriculture and to ensure greater food security,” he said, announcing also a waiver of payments for the consumption of water by farmers for six months.

“We hope by an initiative of this and others to boost the production of fruits and vegetables which can be produced in a very short window”.

Harris also said his government will be providing an additional five million dollars to the Poverty Alleviation Programme to boost the monthly “top up” provided to households monthly.

“We anticipate more persons falling into unemployment that they will need to access that support and so we have provided for the additional sum,” he said, adding that employees who contract the virus and for whom contributions were made would be eligible for social security benefits.

He said the Social Security Board will establish a special fund of EC\$15 million to assist with income support, up to a maximum of EC\$1,000 monthly for workers whose income would have been impacted by the virus.

Harris also said that the Development Bank of St. Kitts-Nevis and the National Housing Authority would also be implementing measures ranging from three to six months moratoriums on mortgages and loans.