

**LAW 42/IV/92**

**of 06 APRIL 1992**

**(TOURISM UTILITY STATUTE)**

Mandated by the People, the National Parliament determines, according to paragraph b) of Article 58 of the Constitution, the following:

**Article 1**

The Tourism Utility Statute, established by article 13 of Law No.21/IV/91, of December 30, refers to a special regime assured to ventures that operate in the tourism industry and which satisfy the requirements defined in the present law.

**Article 2**

Tourism Utility Statute will be appraised taking into account the following premises:

- a) Suitability of the venture to the national tourism policy;
- b) Expected quality of the facilities and services;
- c) Location and type of venture;
- d) Interest of the venture within the framework of the local or national tourism infrastructures;
- e) Venture contribution to the reinforcement of the national or regional tourism circuits.

**Article 3**

Tourism Utility Statute shall only be granted to:

- a) New ventures;
- b) Existing ventures that are object of total or partial remodeling, expansion or re-equipping;
- c) Existing ventures that increase their offer capacity in, at least, 30%.

**Article 4**

1. Tourism Utility Statute is granted by joint decision of Government Officials in charge of tourism and finance sectors, by proposal from the General Directorate of Tourism;

1. Companies that own or run ventures declared to be tourist facilities benefit from the following incentives:
  - a) Exemption from real estate transfer and property tax;
  - b) Exemption from rental taxes and taxes on business profits, except for taxes on services and transfer of public goods.
2. The exemptions referred to in paragraph b) above will be granted for 5 years from the date operations begin.
3. For the 10 years following the first fi



2. Alienation of goods imported under temporary regime or under fiscal exemptions, shall be subject to prior authorization from the Director General of Customs. In such event, those goods shall be subject to the payment of all duties and other charges, calculated

Companies that own or run ventures declared to be tourist facilities must have an organized book-keeping system, in conformity to the law. Non-compliance to this rule implies the revocation of the Tourism Utility Statute.

#### **Article 18**

1. The violation of the rules established in the present law is punished with a fine from 50 thousand to 1 million Cape-verdean escudos.
2. The minimum and maximum limits set in the previous number are doubled in case of relapse.
3. Cumulatively, the State shall take possession of all goods, values, rights and benefits directly obtained or acquired by means of the violation.

#### **Article 19**

The General Director of Tourism is responsible for the application of fines resulting from the violation of the rules established in this law.

#### **Article 20**

The fines foreseen in the previous article will be graduated according to the nature of the violation, the damage caused, the degree of guilt and the violator's records and his/her economic capacity.

#### **Article 21**

The board of directors, managers, directors or management executives from the company are jointly liable for the payment of fines charged to the company, whenever they have ordered the violation or have taken part on it, or have sanctioned it, or by means of a presumably deliberated action have allowed its occurrence.

#### **Article 22**

The proceeds from the application of fines are revenues to the Tourism Development Fund.

#### **Article 23**

Laws No. 2073, of December 24, 1954 and No. 2081, of June 4, 1956 are revoked, as well as Decree No. 17 673, of April 14, 1960.

#### **Article 24**

The Government shall regulate the present law within 90 days.

Approved in February 28, 1992.

The President of the National Parliament, Amilcar Fernandes Spencer  
Lopes

Promulgated in March 23, 1992.