

Plan to Reactivate the Tourism Sector of the Dominican Republic: Health, tax and regulatory aspects



I. HEALTH ASPECTS

On August 25, 2020, the Government of the Dominican Republic (DR) launched the **Plan for the Responsible Recovery of Tourism** in response to COVID-19 (the “Plan”) that introduces **health, welfare and security** measures for the tourists in order to promote a sustainable growth, enabling the DR to continue to be the preferred destination within the region. The Tourism Cabinet will be led by the President of the DR and under the executive management of the Tourism Minister.

The Plan includes new health protocols applicable to the entire industry, including bars and restaurants and it is in the process of obtaining the certifications from the corresponding leading global firms such as Safe Travels (World Tourism and Travels Council) and Buro Veritas.



The Plan is comprised of the following measures:

- By the end of September 2020, tourists will not be required to provide COVID-19 tests results upon arrival to the DR but rather will be subject to **random rapid testing** (Covid-19 breath test).
- Mandatory use of **masks** and **social distancing** during visitor’s stay in the DR.



- By the end of September and up to December 2020, every tourist that visits an hotel, will receive a **temporary insurance plan**, paid for entirely by the Dominican state, with the purpose of granting the following coverage: emergencies, telemedicine, lodging for prolonged stays and costs incurred on flight changes in the event of an infection.
- In order to protect the tourists, hotel employees will remain in the hotel facility as long as possible (**sanitary bubble**), and will be subject to testing on a regular basis.
- Implementation of **effective sanitary protocols** regarding suppliers and contractor commercial relationships.
- **Training** and **constant updates** will be provided regarding the Plan.
- Additional **labor regulations norms** are being reviewed and will be later shared in order to minimize and mitigate the risks for employees.

The **Tourism Cabinet** will **monitor** the implementation and effectiveness of these measures and will be making adjustments, as needed. These measures will be communicated through all channels and points of contact with tourists and allies in order to globally convey that the DR is a safe destination to travel.



II. TAX AND REGULATORY ASPECTS

Beginning September 2020 and in order to reactivate the Tourism sector and motivate a sustainable growth, the DR Government will implement the following **tax and regulatory measures**:

- Up to November 2020, there will be a **reduction to 35%** of the tariff included in the **Advanced Pricing Agreements** (APA) subscribed between the hotels and the Tax Authorities.
- **Tax advance payment elimination** for the following 6 months.
- **Elimination of 1% Asset Tax** up to June 2021.
- **Two-year extension on the commencement and end term** of the projects classified by CONFOTUR under **Law 158-01** and modifications.
- **Extended hours of operation** until 11:00 p.m. for **food deliveries** (already effective).



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