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STAMP (AMENDMENT) BILL, 2018

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STAMP (AMENDMENT) BILL, 2018

A BILL FOR AN ACT TO AMEND THE STAMP ACT

Enacted by the Parliament of The Bahamas

1. Short title and commencement.

- (1) This Act, which amends the Stamp Act (*Ch. 370*), may be cited as the Stamp (Amendment) Act, 2018.
- (2) This Act shall come into force on the 1st day of July, 2018.

2. Amendment of section 3B of the principal Act.

Section 3B of the principal Act is amended —

- (a) in subsection (1), by the deletion immediately after the words “by the applicant stating” all the words thereafter and the substitution of the words “that there is not and has never been any other dwelling house held by him or on his behalf situated in or outside of The Bahamas” ;
- (b) by the insertion immediately after subsection (1) of the following new subsections —
 - “(1B) Subject to subsection (1C), an application under subsection (1) made on or after the coming into force of this Act must be made within twelve months of the date of execution of the instrument to which the application relates.
 - (1C) Notwithstanding subsection (1B), an application for exemption under subsection (1) may be made in respect of a document executed on or after 1st January, 2003 provided that the completed application is submitted in accordance with this section to the Financial Secretary on or before 31st December, 2018.”;

- (c) in subsection (12), by the deletion of the word “2018” and the substitution of the word “2023”.

3. Amendment of section 3C of the principal Act.

Section 3C of the principal Act is amended by the insertion immediately after subsection (2) of the following new subsections —

- “(3) For the purpose of this section, a “transfer of a mortgage” includes a transaction where a mortgage is satisfied by one licensed lending institution and a new mortgage is created with a new licensed lending institution in relation to the same property.
- (4) Where a transfer of mortgage takes place and further advances are made by the new licensed lending institution, stamp duty is only payable on the further sums advanced by the new licensed lending institution.
- (5) The instrument evidencing —
 - (a) the satisfaction of the subsisting mortgage; and
 - (b) the creation of the new mortgage,shall be exempt from the payment of stamp duty.”

4. Amendment of First Schedule to the principal Act.

The First Schedule to the principal Act is amended —

- (a) by the deletion and substitution of items 4 and 5 as follows —

“ 4	An affidavit	\$10.00
5	A power of attorney	\$10.00”;
- (b) by the deletion and substitution of items 11 and 12 as follows —

“11	An assignment or transfer of personalty or realty —	
(a)	\$100,000 and under	2 ½ % of the value
(b)	in excess of \$100,000	10% of the value
12	A deed of conveyance, assignment or transfer of realty —	
(a)	\$100,000 and under	2 ½ % of the value
(b)	in excess of \$100,000	10% of the value”;
- (c) by the deletion and substitution of item 13 as follows —

“13	An assignment, transfer, lease, sublease or licence of a marina slip —	
(a)	\$100,000 and under	2 ½ % of the value
(b)	in excess of \$100,000	10% of the value”;
- (d) by the deletion and substitution of item 17 as follows —

“17	A deed of rectification, confirmatory	\$10.00
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- conveyance, affidavit of loss, declaration of trust, deed of variation or any other document in respect of which stamp duty has already been paid on the initial conveyance or instrument and where there is no change in the parties thereto or otherwise save for a clerical or other error such as to the description of the property”;
- (e) by the deletion and substitution of item 20 as follows —
 “20 A renunciation or release of dower \$10.00”.
 - (f) by the deletion and substitution of paragraphs (c) and (d) of item 31 as follows —
 “(c) Where the capital is \$100,000 or under; \$100.00
 (d) Where the capital is over \$100,000 for every addition \$50,000 or fraction thereof;” \$10.00
 - (g) by the deletion and substitution of item 32 as follows —
 “32 A resolution increasing the capital of a company incorporated within The Bahamas, for every \$50,000 or fraction thereof;” \$10
 - (h) by the deletion and substitution of item 35 as follows —
 “35 A promissory note; 1%
 - (i) by the deletion and substitution of item 41 as follows —
 “41 A receipt for deposit of funds into an account in any gaming house or for the payment of any gaming activity not conducted through an account” 5% of the deposit
 - (j) by the insertion immediately after item 41 of the following—
 “42 An instrument not otherwise provided for in this Schedule.” \$10.00

OBJECTS AND REASONS

This Bill seeks to provide for budgetary measures in relation to stamp duty to govern the fiscal year July 1, 2018 to June 30, 2019.

Clause 2 of the Bill seeks to amend section 3B of the Stamp Act to extend to June 30, 2023 the current exemption from stamp duty for first time home owners et al

which expires on June 30, 2018 but requires application for the exemption to be filed within one year of the purchase.

Clause 3 of the Bill seeks to amend section 3C of the Stamp Act to clarify that where a transfer is effected by a subsisting mortgage with one licensed lending institution being satisfied and a new mortgage being entered into with a different licensed lending institution for the amount outstanding by the mortgagor on the original mortgage. The deed of satisfaction and the new mortgage instrument are eligible for exemption.

Clause 4 of the Bill seeks to amend the First Schedule to the Stamp Act to vary the rates for certain commercial transactions.

