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27 May 2015

EXCISE (AMENDMENT) BILL, 2015

Arrangement of Sections

Section

1. Short title.....2
2. Amends the Schedule to No. 24 of 2013.....2

OBJECTS AND REASONS

6



EXCISE (AMENDMENT) BILL, 2015

A BILL FOR AN ACT TO AMEND THE EXCISE ACT

Enacted by the Parliament of The Bahamas

1. Short title.

This Act may be cited as the Excise (Amendment) Act, 2015.

2. Amends the Schedule to No. 24 of 2013.

The Schedule to the Excise Act is amended —

- (a) by deleting the words “10%” appearing in the column “Rate of Tax” corresponding to the Tariff Code Headings/Subheadings “3303.0010”; “3303.0020”; “3303.0090”; and substituting therefor the words “5%”;
- (b) by deleting the words “10%” appearing in the column “Rate of Tax” corresponding to the Tariff Code Headings/Subheadings “4202.1110”; “4202.1210”; “4202.1910”; “4202.2100”; “4202.2200”; “4202.2900”; “4202.3100”; “4202.3200”; “4202.3900”; “4202.9110”; “4202.9210”; “4202.9910”; “7113.1100”; “7113.1900”; “7113.2000”; “9101.1100”; “9101.1900”; “9101.2100”; “9101.2900”; “9102.1100”; “9102.1200”; “9102.1900”; “9102.2100”; “9102.2900”; “9103.1000”; “9103.9000” and substituting therefor the word “Free”;
- (c) by deleting the word “75%” appearing in the column “Rate of Tax” corresponding to the Tariff Code Heading/Subheading “8703.2130”; “8703.2140”; “8703.2230”; “8703.2240”; “8703.2330”; “8703.2340”; “8703.2430”; “8703.2440”; “8703.3130”; “8703.3140”; “8703.3230”; “8703.3240”; “8703.3330”; “8703.3340”; and substituting the word “65%”;

- (d) by deleting the word “85%” appearing in the column “Rate of Tax” corresponding to the Tariff Code Heading/Subheading “8703.2150”; “8703.2160”; “8703.2250”; “8703.2260”; “8703.2350”; “8703.2360”; “8703.2450”; “8703.2460”; “8703.3150”; “8703.3160”; “8703.3250”; “8703.3260”; “8703.3350”; “8703.3360”; and substituting the word “65%”;
- (e) by deleting the words “45%” appearing in the column “Rate of Tax” corresponding to the Tariff Code Heading/Subheading “8712.0000” and substituting therefor the word “Free”;
- (f) by deleting the words “7%” appearing in the column “Rate of Tax” corresponding to the Tariff Code Headings/Subheadings “9006.4000”; “9006.5100”; “9006.5200”; “9006.5300”; “9006.5900”; “9006.6100”; “9006.6900”; “9006.9100”; “9006.9900”; and substituting therefor the word “Free”;
- (g) by inserting, immediately after the Tariff Code Heading/Subheading “9307.0000”, the following —

“

TARIFF CODE Heading/ Subheading	GOODS	RATE OF TAX
9608.30	Fountain pens	
9608.3010	---Fountain pens	Free

”;

- (h) in Chapter 98 —
 - (i) by inserting, immediately after Note 6 of the Chapter Notes, the following note —
 - “6A. The following conditions pertain to the use of the classification code in **Subheading 987A.0010** —
 - (a) In the case of a returning resident who, having been absent from The Bahamas for two consecutive years or more is returning to The Bahamas for permanent residence and —
 - (i) is retired; or
 - (ii) had been in full-time employment at some time during the period of absence; or
 - (iii) had been enrolled full-time in a course of study in a post-secondary school at some time during the period of absence;
- the general exemption applies to —

- (aa) all household effects, books, apparel, footwear, articles of personal adornment, toilet articles and other articles and effects not intended for sale nor for the purpose of any business, being articles and effects brought into The Bahamas by the resident up to a limit in value of \$10,000.00; and
- (bb) one vehicle up to a limit in value of \$30,000.00.
- (b) A returning resident is not entitled to the general exemption more than once in every 5 years.
- (c) **“Returning resident”** means a person returning from a journey outside The Bahamas, who prior to his departure from The Bahamas on that journey was a citizen or permanent resident of The Bahamas.”;
- (ii) in note 8 of the Chapter Notes, by deleting the words “new motor vehicle” where they appear in paragraphs (a), (b) and (d) and substituting therefor the words “motor vehicle not more than three years old”;
- (iii) by inserting immediately after Tariff Code Heading/Subheading 9879.0020, the following —

“

TARIFF CODE Heading/ Subheading	GOODS	RATE OF TAX
98.7A	General exemption for goods imported as cargo	
987A.0010	Returning residents who meet the conditions specified in Note 6A to this Chapter	Free

- ”;
- (iv) by deleting the article description corresponding to Tariff Code Heading 98.84 and substituting therefor the following —
“General exemption for buses not more than three years old imported by a religious organization for its exclusive use”;
 - (v) by deleting the article description corresponding to Tariff Code Subheading 9884.0000 and substituting therefor the following —

OBJECTS AND REASONS

This Bill seeks to amend the Excise Act (*No. 24 of 2013*).

Clause 1 of this Bill sets out the Short title.

Clause 2 of this Bill amends the Act so that all vehicles attract a duty rate of sixty-five per cent with church buses, taxis and liveries (franchise), three years or less, qualifying for exemptions and with there being exemption on processing machinery for use in the recycling of waste. Clause 2 also provides for medical equipment for institutions that serve the public to be imported duty free and for there to be duty exemption on original artwork once verified by the Director of the National Art Gallery. Further, Clause 2 provides that concessions be granted to returning residents along with the removal on tax on tourist items.