

# STAMP (AMENDMENT) BILL, 2013

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## STAMP (AMENDMENT) BILL, 2013

### 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) Bill, 2013.
- (2) This Act shall come into force on the 1<sup>st</sup> day of July, 2013.

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

Section 3B of the principal Act is amended—

- (a) in subsection (1), by—
  - (i) the deletion of paragraph (d); and
  - (ii) the renumbering of paragraph (e) as paragraph (d);
- (b) by the deletion of subsection (2) and the substitution therefor as follows—

“(2) An application under subsection (1) shall not be made where in the case of a conveyance or mortgage instrument, the total value of the transaction or transactions exceeds five hundred thousand dollars.”;
- (c) in subsection (7), by the substitution of a semicolon for the full stop appearing at the end of the definition of the term “licensed lending institutions” and the insertion of the new term “value” and its corresponding definition as follows—

“value” means the current market value of the sum that would be expected to be realized on the sale of any property by a willing seller to a willing buyer at the time of filing for the exemption.”;
- (d) in subsection (8), by—

- (i) the deletion of the word “and” at the end of paragraph (a); and the deletion of the reference “(b)” and the substitution therefor of the reference “(d)”;
- (ii) the insertion of the new subparagraphs (b) and (c) immediately after subparagraph (a) as follows—
  - “(b) if proof of citizenship in the Commonwealth of The Bahamas is produced;
  - (c) if the value of the property and dwelling house where the applicant occupies and resides or intends to occupy and reside for a minimum aggregate period of nine months, does not exceed five hundred thousand dollars.”; and
- (e) by the insertion of a new subsection (12) immediately after subsection (11) as follows—
  - “(12) Section 3B of this Act shall expire on the 30<sup>th</sup> day of June, 2018.”.

**3. Amendment of section 28C of the principal Act.**

Section 28C of the principal Act is amended—

- (a) in subsection (1), by the deletion of the words “the said dwelling house or other structure,” and the substitution therefor of the words “a single family dwelling house, a condominium unit and the portion of an apartment building on which the owner resides”; and
- (b) in subsection (2), by the deletion of the words “dwelling house or other structure” and the substitution therefor of the words “single family dwelling house, a condominium unit and the portion of an apartment building on which the owner resides”.

**4. Amendment to First Schedule to the principal Act.**

The First Schedule to the Stamp Act (*Ch. 370*) is amended by—

- (a) the deletion of Item 12 and the substitution therefor as follows—

<b>Item</b>	<b>Instrument</b>	<b>Duty</b>
“12	Every deed of conveyance, assignment or transfer of realty or personalty, or lease, sublease or licence of a marina slip where the amount or value of the consideration— does not exceed \$20,000	four per cent of the amount or value of the consideration;
	exceeds \$20,000 and does not exceed	six per cent of

\$50,000	the amount or value of the consideration;
exceeds \$50,000 and does not exceed \$100,000	eight per cent of the amount or value of the consideration
exceeds \$100,000	ten per cent of the amount or value of the consideration”;

(b) the insertion of the new Item 51A immediately after Item 51 as follows—

<b>Item</b>	<b>Instrument</b>	<b>Duty</b>
“51A	Every bill of exchange, draft, money order, mail transfer of money, cable transfer of money, traveller’s cheque or letter of credit whereby funds of or over five hundred thousand dollars per annum are remitted or transferred out of The Bahamas to a related party where such payment represents dividends or profits or payments for services to be rendered by the related party”;	five per cent of the amount remitted or transferred outside The Bahamas

(c) the deletion of Item 53 and the substitution therefor as follows—

<b>Item</b>	<b>Instrument</b>	<b>Duty</b>
“53	Every bill of exchange, bank receipt for withdrawal from funds on deposit, cheque or order, drawn, issued, originating, paid or negotiated in The Bahamas, other than the direct debit of one payment from one bank account to another	.40”;

(d) the deletion of Item 56.

**OBJECTS AND REASONS**

The Stamp (Amendment) Bill, 2013, makes provision for (i) the amendment of certain requirements relating to the exemption that First-Time Home owners may be granted under section 3B of the principal Act, (ii) the amendment of subsections (1) and (2) of section 28C of the principal Act for the deletion of the words “the said dwelling house or other structure” and for the substitution therefor of the words “a single family dwelling house, a condominium unit and the portion of an apartment building on which the owner resides and the insertion of two new items, namely, Items 51A and 53 into the First Schedule to the principal Act.

Clause one of the Bill seeks to make provision for the Short Title and the commencement and expiration of section 3B.

Clause two of the Bill seeks to make provision for several changes in section 3B, which are namely, (a) the removal of an application for exemption of stamp duty for the purpose of the purchase of vacant land for the construction of a dwelling house, (b) that an application for an exemption of stamp duty shall not be made where in the case of a mortgage or conveyance instrument, the total value of the transaction(s) exceeds five hundred thousand dollars and (c) by inserting two new additional requirements providing that an exemption shall only be granted where, (i) proof of Bahamian citizenship is produced and (ii) the value of the property and dwelling house where the applicant occupies and resides or intends to occupy and reside, for a minimum aggregate period of nine months, does not exceed five hundred thousand dollars.

Clause three of the Bill seeks to make provision for the amendment of subsections (1) and (2) of section 28C as set out above.

Clause four of the Bill seeks to make provision for the amendment of the First Schedule to the principal Act, by the insertion of the new Items 12, 51A and 53 and the deletion of Item 56.