

FAMILY ISLANDS DEVELOPMENT ENCOURAGEMENT (AMENDMENT) AND VALIDATION BILL, 2023

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**FAMILY ISLANDS DEVELOPMENT ENCOURAGEMENT
(AMENDMENT) AND VALIDATION BILL, 2023**

**A BILL FOR AN ACT TO AMEND THE FAMILY ISLANDS
DEVELOPMENT ENCOURAGEMENT ACT TO EXTEND
THE APPLICATION OF THIS ACT TO ALL FAMILY
ISLANDS AND TO VALIDATE EXEMPTIONS GRANTED IN
RESPECT FAMILY ISLANDS NOT SPECIFIED IN THE
SCHEDULE TO THIS ACT**

Enacted by the Parliament of The Bahamas

1. Short title and commencement.

- (1) This Act may be cited as the Family Islands Development Encouragement (Amendment) And Validation Act, 2023.
- (2) This Act shall come into force on the 1st day of July, 2023.

2. Amendment of section 3 of principal Act.

The principal Act is amended in section 3. by the deletion of subsection (1) and the substitution of the following —

- “ (1) Notwithstanding anything to the contrary in the Tariff Act and the Excise Act, building materials imported in those Family Islands specified in the Schedule for use in construction in those islands shall be exempt from customs duty and excise tax as follows —
- (a) where the exemption is granted to a Bahamian or to a permanent resident of The Bahamas, one hundred per cent;
 - (b) where the exemption is granted to a non-Bahamian, fifty percent.”.

3. Repeal and replacement of Schedule to the principal Act.

The Schedule to the principal Act is repealed and replaced by the following —

“SCHEDULE

(sections 3 & 4)

Grand Bahama (except for licencees in the Port Area)

All other Family Islands and Cays”

4. Validation of action.

Any exemption granted from customs duty and excise tax under this Act in respect of building materials or machinery imported in a Family Island or Cay that was not specified in the Schedule to this Act at the date of the grant of the exemption is hereby validated and declared to be lawfully granted as if section 3 of this Act had been in force at the time that the exemption was granted.

OBJECTS AND REASONS

Clause 1 of the Bill sets out the Short Title and commencement.

Clause 2 of the Bill seeks to amend the principal Act to provide for one hundred percent exemption from customs duty and excise tax to be granted to Bahamians or permanent residents of The Bahamas and for fifty percent exemption from customs duty and excise tax to be granted to non-Bahamians.

Clause 3 of the Bill seeks to repeal and replace the Schedule of the Act to include all Family Islands in The Bahamas and Grand Bahama except for licencees in the Port Area.

Clause 4 of the Bill seeks to validate exemptions from customs duty and excise tax in respect of Family Islands that were not specified in the Schedule of the principal Act before the coming into force of this Act.