

A BILL

entitled

STAMP DUTIES AMENDMENT ACT 2019

WHEREAS it is expedient to amend the Stamp Duties Act 1976;

Be it enacted by The Queen’s Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act may be cited as the Stamp Duties Amendment Act 2019.

Amends Head 25 of the Schedule

2 In Head 25 of the Schedule to the Stamp Duties Act 1976 (stamp duty payable on leases and agreements for leases), delete the Table in paragraph (b) and substitute—

“ Term of lease	Duty
up to three years	1% of the aggregate rent payable for the term of the lease
more than three years	1% of the aggregate rent payable for the first three years of the lease, plus 0.5% of the aggregate rent payable for any additional period beyond three years”.

Amends Head 31 of the Schedule

3 In Head 31 of the Schedule to the Stamp Duties Act 1976 (stamp duty payable on mortgages etc)—

- (a) in paragraph (iv), after “assignment of any” insert “mortgage,”;
- (b) in paragraph (ab) under the heading “Exemption”, after “mortgage” insert “of a total amount not exceeding \$750,000”.

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Commencement

4 This Act comes into operation on 1 April 2019.

STAMP DUTIES AMENDMENT BILL 2019

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Stamp Duties Act 1976 (“the principal Act”).

Clause 1 is self-explanatory.

Clause 2 replaces the table in paragraph (b) of Head 25 of the Schedule to the principal Act (stamp duty payable on leases and agreements for leases) to provide for the stamp duty payable on leases and agreements for leases to be calculated as 1% of the aggregate rent for leases up to three years, plus 0.5% of the aggregate rent payable for any additional period beyond three years.

Clause 3 amends Head 31 of the Schedule to the principal Act (stamp duty payable on mortgages etc) to restrict to mortgages of a total amount not exceeding \$750,000 the exemption in paragraph (ab) for the transfer or assignment of a mortgage for consideration equal to the amount outstanding or the market value of the debt. The stamp duty payable in relation to the transfer or assignment of a mortgage of a total amount exceeding \$750,000 will be 1/10th per centum of the principal sum secured.

Clause 4 provides for commencement.