

CAYMAN ISLANDS



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**A BILL FOR A LAW TO INCREASE VARIOUS DUTIES UNDER THE  
CUSTOMS TARIFF LAW (2002 REVISION); TO INCREASE THE  
RATES OF PACKAGE TAX; AND FOR INCIDENTAL AND  
CONNECTED PURPOSES**



**THE CUSTOMS TARIFF (AMENDMENT) BILL, 2009**

**MEMORANDUM OF OBJECTS AND REASONS**

This Bill amends the Customs Tariff Law (2002 Revision) to increase duties of customs on miscellaneous imports.

The Bill also increases the rate of package tax for goods imported by airfreight in packages, and introduces -

- (a) a package tax for goods accompanying a passenger arriving in the Islands at an airport;
- (b) a package tax for goods imported through the post office; and
- (c) an Environmental Tax in respect of certain motor vehicles.

Clause 6 of the Bill contains transitional provisions.

**THE CUSTOMS TARIFF (AMENDMENT) BILL, 2009**

**ARRANGEMENT OF CLAUSES**

1. Short title
2. Amendment of section 3 of the Customs Tariff Law (2002 Revision) - duties of customs charged
3. Repeal and substitution of First Schedule - duties of customs on imports
4. Amendment of Third Schedule - rates of package tax
5. Insertion of Fifth Schedule - imported goods in respect of which Environmental Tax is chargeable
6. Transitional provisions

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ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Customs Tariff (Amendment) Law, 2009. Short title
  
2. The Customs Tariff Law (2002 Revision), in this Law referred to as the “principal Law”, is amended in section 3 by inserting after subsection (3) the following subsection - Amendment of section 3 of the Customs Tariff Law (2002 Revision) - duties of customs charged  

“ (4) There shall be charged, collected and paid through Customs to the Treasury upon goods imported into the Islands and enumerated in the Fifth Schedule an Environmental Tax of one thousand dollars.”.
  
3. The principal Law is amended by repealing the First Schedule and substituting the following Schedule - Repeal and substitution of First Schedule - duties of customs on imports

**“FIRST SCHEDULE**

**(Section 3(1))**

**Duties of Customs on Imports**

<b>Code Number</b>	<b>Heading</b>	<b>Duty</b>
<b>Section I</b>		
<b>Live animals and animal products</b>		
01.01	Animals, live: stud male and breeding stock.	Free
01.21	Poultry, live.	Free
01.31	Birds, live (pets).	Free
01.32	Other domestic pets (not fish).	Free
01.99	Other live animals (except turtle and fish).	17%
02.01	Beef, fresh, chilled, frozen.	17%
02.02	Salt beef.	Free
02.11	Poultry carcasses and parts of poultry, fresh, chilled or frozen but not cooked or further prepared.	Free
02.21	Other edible meat and offals, whether fresh, refrigerated, frozen, corned, salted, in brine, dried or pickled, but not further prepared or cooked.	17%
03.01	Fish, fresh, chilled, frozen, pickled, salted or dried, but not cooked or further prepared or preserved.	Free
03.02	Shellfish and crustaceans, fresh, whether live or not, chilled or frozen.	12%
03.21	Turtle, live.	Free
03.31	Fish, live, imported as pets.	Free
04.01	Milk and cream, fresh, preserved, concentrated, whether sweetened or not.	Free
04.03	Flavoured milk, yoghurt and ice cream.	22%
04.11	Butter, natural, fresh or salted.	Free
04.21	Cheese.	Free
04.31	Birds' eggs and egg yolks, fresh, dried or otherwise preserved.	17%
05.01	Tortoise shell and turtle shell, unmanufactured.	Free
05.99	Products of animal origin, not elsewhere specified.	22%
<b>Section II</b>		
<b>Vegetable products</b>		
06.01	Live plants, trees or plant tissue for propagation or cultivation.	Free
06.02	Other live plants (including ornamental plants for landscaping or decoration whether bearing flowers or not)	22%
06.11	Cut flowers and foliage.	12%
07.01	Onions, Shallots and Irish potatoes, fresh.	Free
07.09	Other vegetables, fresh or frozen.	17%

07.21	Peas and beans, dried.	Free
07.31	Other vegetables, dried, pickled or otherwise prepared, including canned vegetables, etc.	22%
08.01	(i) Fruit, fresh, chilled or frozen but not further prepared, excluding the items listed in subparagraph(ii).	17%
	(ii) The following fruit, whether fresh, chilled or frozen, but not further prepared- avocado pears, bananas, plantains, citrus fruit, mangoes, papayas, breadfruit, june plums ( <i>golden apples, pommes cythere</i> ), naseberries ( <i>sapodilla</i> ), passion fruit, sour-sops, West Indian cherries, ( <i>Barbados cherries, acerola</i> ), tomatoes, okra, peppers, pumpkins, sweet-sops, melons, star fruit ( <i>carambola</i> ), cucumbers.	17%
08.21	Fruit, dried or further prepared, including nuts.	22%
08.31	Fruit and vegetable juice, unsweetened.	22%
09.01	Coffee, fresh, ground or otherwise prepared.	Free
09.11	Tea and tea concentrates.	Free
09.21	Cocoa and drinking chocolate.	Free
09.31	Vanilla and other spices.	22%
10.01	Grains, natural, husked or broken, but not further prepared.	Free
10.11	Macaroni, spaghetti, raw, whether packaged or not.	Free
12.01	Seeds, for propagation or cultivation.	Free
14.99	Crude vegetable material, not elsewhere specified.	22%
<b>Section III</b>	<b>Animal and vegetable oils and fats and their products</b>	
15.01	Lard.	Free
15.11	Margarine.	Free
15.21	Shortening.	22%
15.31	Coconut oil, fixed vegetable oils and fats, cooking oils, castor oil, linseed oil, beeswax.	22%
15.99	Animal oils, fats and greases, not elsewhere specified.	22%
<b>Section IV</b>	<b>Prepared foodstuffs, beverages and tobacco</b>	
16.01	Prepared meats and poultry, including dinners with meat.	22%
16.02	Fish, shellfish, etc., prepared, cooked or processed.	22%
17.01	Beet and cane sugar, raw.	Free

17.11	Beet and cane sugar, refined.	Free
17.21	Honey, syrups, sugar confectionery (excluding chocolate).	22%
18.01	Chocolate confectionery.	22%
19.01	Cereal flours, groats and meal (including breakfast cereals).	Free
19.05	Bread loaves, whole or sliced	Free
19.21	Bakery products including biscuits, rolls, buns and similar products but excluding products under code number 19.05	22%
19.99	Cereals and cereal preparations, not elsewhere specified.	Free
21.01	Prepared baking powders.	Free
21.99	Miscellaneous edible products, not elsewhere specified.	22%
22.01	Purified, desalinated and natural waters, other than aerated waters.	22%
22.02	Aerated water.	27%
22.11	Flavoured aerated waters, non-alcoholic beers and wines.	27%
22.12	Still non-alcoholic beverages, not elsewhere specified.	22%
22.21	Ale, beer and other malt liquors.	\$1.65 per litre
22.22	Ciders and meads.	\$1.65 per litre
22.23	Wine coolers not exceeding seven per cent alcohol content.	\$1.65 per litre
22.31	Table wines, red, white or rose.	\$3.30 per litre
22.32	Dessert wines, including port, sherry, vermouth and other fortified or flavoured wines containing under thirty per cent alcohol.	\$4.95 per litre
22.33	Champagne.	\$10.50 per litre
22.34	Other sparkling wines.	\$7.50 per litre
22.41	Spirits, unsweetened, containing less than fifty per cent by volume of alcohol.	\$11.55 per litre
22.42	Spirits, unsweetened, containing fifty per cent or more by volume of alcohol.	\$15.68 per litre
22.43	Spirits, sweetened and flavoured, including liqueurs.	\$13.20 per litre
23.01	Compound feeds for cattle, pigs, poultry and turtle.	Free
23.02	Pet food.	22%



24.01	Manufactured tobacco - cigarettes.	\$105 per 1,000
24.02	Manufactured tobacco - cigars.	102%
24.03	Manufactured tobacco - for chewing.	\$1.49 per lb.
24.09	Other manufactured tobacco.	87%
24.11	Unmanufactured tobacco.	\$1.49 per lb.
24.99	Manufactures from tobacco substitutes (e.g. herbal cigarettes).	87%

**Section V Mineral products**

25.01	Common salt.	Free
25.11	Cement.	22%
25.21	Prepared pottery clay.	Free
25.99	Crude minerals, not elsewhere specified.	22%
27.01	Motor gasoline.	50 cents per gallon
27.02	Diesel oil excluding diesel oil under code number 27.03	60 cents per gallon
27.03	Diesel oil imported for supply to an undertaker	50 cents per gallon
27.11	Aviation gasoline.	28 cents per gallon
27.12	Jet fuel (kerosene).	28 cents per gallon
27.21	Lamp oil.	Free
27.31	Other fuel oils and basic petroleum products.	22%
27.41	Coal, coke, peat, etc.	22%
27.51	Propane, butane, other gases.	22%

**Section VI Products of the chemical or allied industries**

28.01	Inorganic chemicals, not elsewhere specified.	22%
29.01	Insulin and sulphate of quinine and all alkaloids or salts of cinchona but not including quinine compounded with other drugs.	Free
29.03	Lymph for human vaccination, vaccines, serums and antitoxins for human and animal diseases.	Free
29.99	Organic chemicals, not elsewhere specified.	22%
30.01	Medicinal/pharmaceutical goods, not elsewhere specified.	12%
31.01	Crude fertilisers.	Free
31.11	Manufactured fertilisers.	Free
32.01	Household paints, varnishes, lacquers.	22%

32.02	Bleaches.	17%
32.03	Ceramic colours, glazes and frits.	Free
33.01	Bay rum and bay waters.	\$11.00 per gallon
33.02	Perfume.	Free
33.03	Perfumery, other than perfume.	27%
33.09	Other toilet preparations and cosmetics.	22%
34.01	Soap.	17%
34.02	Washing soda.	17%
34.03	Detergents.	17%
34.09	Washing preparations, polish, cleansers, waxes, not elsewhere specified.	22%
36.01	Explosives, pyrotechnic products, including fireworks.	22%
38.01	Disinfectants, insecticides, fungicides, vermin poisons, herbicides, etc.	Free
38.99	Miscellaneous chemical products, not elsewhere specified.	22%
<b>Section VII</b>	<b>Plastics, rubber, and articles thereof</b>	
39.01	Plastics in primary and semi-processed form.	22%
39.99	Articles of plastic, not elsewhere specified.	22%
40.01	Rubber products, not elsewhere specified.	22%
<b>Section VIII</b>	<b>Leather and articles thereof, travel goods, handbags and similar containers</b>	
42.01	Goods manufactured wholly or mainly of genuine leather, excluding footwear and furniture.	Free
42.12	Travel goods, handbags, suitcases, camera cases, and other similar containers, not of leather.	22%
<b>Section IX</b>	<b>Wood and articles of wood</b>	
44.01	Lumber.	17%
44.02	Cork and other lightly worked wood.	22%
44.11	Veneers, plywood, compound or constituted wood.	22%
44.21	Wooden hand carvings.	Free
44.99	Cork and wood manufactures, not elsewhere specified.	22%
<b>Section X</b>	<b>Paper and paperboard and articles thereof</b>	
48.01	Paper, paperboard and articles thereof and of paper pulp.	22%
49.01	Reading material such as printed books, manuscripts,	Free

	etc.	
49.02	Printed forms and similar stationery; greeting cards, newspapers printed overseas containing predominantly matters of local interest.	22%
<b>Section XI</b>	<b>Textiles, textile articles and clothing</b>	
50.01	Flags of all nations.	Free
50.11	Printed cotton piece goods manufactured in and imported direct from Europe.	Free
50.12	Lace piece goods.	Free
50.13	Textile mosquito netting.	Free
50.14	Knitting wool.	Free
50.21	Manufactures of Irish linen, imported direct from Ireland.	12%
50.22	Pure silk and articles manufactured wholly of pure silk other than clothing.	12%
50.23	Tapestry and articles manufactured wholly of tapestry.	12%
50.24	Other textile piece goods.	12%
50.41	Floor coverings, carpets, rugs.	22%
50.51	Bed, table, kitchen, toilet linen, drapes and blinds.	22%
50.99	Other manufactured textile goods, manufactures of lace (other than clothing) not elsewhere specified.	22%
61.01	Clothing and accessories of wool.	Free
61.02	Cotton gloves decorated with embroidery or lace.	Free
61.03	Leather clothing.	Free
61.11	Clothing and accessories of silk.	12%
61.12	Clothing and accessories of Irish linen.	12%
61.21	Clothing and accessories of lace.	22%
61.91	Clothing and accessories of other textiles (including man-made fabrics).	22%
61.99	Worn clothing and worn textile articles, rags.	22%
<b>Section XII</b>	<b>Footwear</b>	
64.01	Footwear of all types.	22%
<b>Section XIII</b>	<b>Articles of stone, cement, plaster; ceramic products; glassware</b>	
68.01	Lime, fabricated and refractory construction materials, not elsewhere specified.	22%
69.01	Porcelain and bone chinaware.	Free

69.02	Domestic pottery, earthenware and stoneware (other than porcelain and bone china), whether or not decorated, fancy or ornamental.	12%
69.03	Statuettes and other ornamental ceramic articles.	Free
69.11	Ceramic sanitary and plumbing fixtures.	22%
69.19	Other ceramic household articles.	22%
70.01	Crystal glassware.	Free
70.02	Glassware, other than crystal glassware.	22%
<b>Section XIV</b>	<b>Precious and semi-precious stones, precious metals, and manufactures thereof</b>	
71.01	Gold, bullion and coin.	Free
71.02	Scrap gold.	22%
71.11	Coins and bullion not of gold.	Free
71.21	Precious and semi-precious stones and imitation jewel stones.	12%
71.22	Pearls, natural, cultured or artificial; and black or pink coral.	Free
71.31	Articles of precious metal, or rolled precious metal other than jewellery.	Free
71.32	Jewellery containing black or pink coral.	22%
71.33	Other jewellery, of precious metals, precious and semi-precious stones and imitation jewel stones.	12%
71.34	Other jewellery, not of precious metal.	22%
71.99	Scrap of precious metals except gold.	22%
<b>Section XV</b>	<b>Base metals and articles of base metal</b>	
72.01	Iron and steel bars, rods, angles, shapes, sections and other iron/steel basic products.	22%
73.01	Structures/parts of structures of iron, steel or aluminium.	22%
73.02	Cutlery and dishes of stainless steel and electroplated nickel silver.	Free
73.03	Metal mosquito netting.	Free
73.04	Fence wire.	17%
73.05	Nails and wire staples.	17%
73.06	Hand tools, non-electrical.	17%
74.01	Non-ferrous metals and their basic products.	22%
83.01	Office and stationery supplies of metal, not elsewhere specified.	22%
83.02	Other metal goods, not elsewhere specified.	22%

<b>Section XVI</b>	<b>Machinery and mechanical appliances; electrical equipment</b>	
84.01	Power generating (not electricity) machinery and equipment (including internal combustion engines for car and boat), and parts thereof.	22%
84.02	Construction and mining machinery and parts thereof.	22%
84.03	Metal working machinery.	22%
84.09	General industrial machinery and equipment/parts, not elsewhere specified.	22%
84.11	ADP equipment and parts.	22%
84.12	Other office machines and parts.	22%
84.21	Domestic refrigerators and freezers.	22%
84.99	Other machinery and mechanical appliances.	22%
85.01	Motors and generators for electricity production.	22%
85.11	Portable radios, record players and portable tape recorders, valued at less than one hundred dollars.	Free
85.12	Radios, record players, tape recorders, TV, video, car radios, receivers, etc.	22%
85.21	Records and tapes.	22%
85.31	Telephones and telephone equipment; telecommunications equipment.	22%
85.41	Power driven hand tools not exceeding one h.p. or seven hundred and forty-five watts.	17%
85.51	Other household electrical and non-electric equipment.	22%
85.61	Other electrical machinery, apparatus and appliances, not elsewhere specified and electrical parts thereof.	22%
<b>Section XVII</b>	<b>Vehicles, aircraft, vessels and associated transport equipment</b>	
87.01	Public transport.	29.5%
87.02	Motor cars	
	up to \$20,000 c.i.f. value	29.5%
	between \$20,001 and \$25,000 c.i.f. value	32%
	between \$25,001 and \$30,000 c.i.f. value	37%
	more than \$30,000 c.i.f. value.	42%
87.03	Invalid carriages.	Free
87.04	Vehicles for the transport of goods, special purpose vehicles.	29.5%
	Vehicles to transport handicapped persons, not for commercial purposes.	Free
87.05	Motor cycles	
	up to 90 cc	32%
	over 90 cc.	37%

87.06	Agricultural tractors and accessories thereto.	Free
87.11	Motor vehicle parts and accessories.	27%
87.12	Bike and motorbike parts and accessories; and trailers.	22%
87.13	Trailers and semi-trailers, other vehicles not mechanically propelled, containers.	22%
88.01	Aircraft, parts and associated equipment All boats for local use, whether sailing from abroad under own power or not, and whether registered or not, but excluding ocean-going vessels in the Islands temporarily (subject to the discretion of the Collector of Customs acting in accordance with section 19 of the Customs Law (1998 Revision)-	22%
89.01	up to 18 feet, (but excluding jet skis and wave runners)	Free
89.02	over 18 feet	12%
89.03	jet skis, wave runners	22%
89.04	other floating structures, including inflatable rafts, floating docks, submersible drilling or production platforms, tanks, cofferdams, landing-stages buoys and beacons	22%
<b>Section XVIII</b>	<b>Optical, photographic, measuring and medical apparatus, timepieces and musical instruments</b>	
90.01	Binoculars, optical microscopes and telescopes.	Free
90.03	Spectacles, including frames and mountings, contact lenses and other similar items.	Free
90.11	Cameras (still, cine and video) including spare lenses and attachments.	Free
90.12	Lights, floods and flash for cameras.	Free
90.19	Projectors and photographic supplies, not elsewhere specified.	22%
90.99	Professional, scientific and controlling instruments and apparatus, not elsewhere specified.	22%
91.01	Travelling clocks, watches, watch bands and chronometers.	7%
91.09	Clocks, not travelling; and timepieces, not elsewhere specified.	22%
92.01	Musical instruments, electric and non-electric.	Free
<b>Section XIX</b>	<b>Arms and ammunition</b>	
93.01	Ammunition (for farmers)	22%
	Ammunition (for others)	42%
	Arms: parts and accessories (for farmers)	22%
	Arms: parts and accessories (for others)	102%

<b>Section</b>	<b>Miscellaneous manufactured articles</b>	
<b>XX</b>		
94.01	Light fixtures, lamps, flashlights, etc.	22%
94.11	Chairs and all other seats.	22%
94.19	Other furniture and parts thereof.	22%
95.01	Baby carriages, toys and games.	22%
95.02	Sporting goods other than for shooting.	22%
96.01	Jewel cases.	Free
96.10	Smokers' requisites.	42%
96.11	Other miscellaneous articles not elsewhere specified.	22%

<b>Section</b>	<b>Works of art, collectors' pieces and antiques</b>	
<b>XXI</b>		
97.01	Works of art, collectors' pieces (except antiques).	22%
97.06	Antiques, being articles one hundred years of age or more.	Free

<b>Section</b>	<b>Special items</b>	
<b>XXII</b>		
98.00	Postal packages not classified by commodity.	22%
99.00	Special transactions and commodities not classified according to kind (e.g. unspecified personal effects).	22%
99.01	Raw and semi-processed materials, not elsewhere specified.	22%";

4. The principal Law is amended in the Third Schedule by deleting item 2 and substituting the following item - Amendment of Third Schedule - rates of package tax

“2	Goods in packages -		
	(a) imported as air freight, for each 100 lbs. or part thereof	per package	5.00
	(b) accompanying a passenger arriving at an airport	per package	2.00
	(c) imported through a post office (commonly referred to as “Parcel Post”)	per package	2.00”.

5. The principal Law is amended by inserting after the Fourth Schedule, the following Schedule - Insertion of Fifth Schedule – imported goods in respect of which Environmental Tax is chargeable

**“FIFTH SCHEDULE**

**(Section 3(4))**

**Imported Goods in respect of which Environmental Tax is chargeable**

Used automobiles, automotives and other mechanically propelled vehicles of not more than \$12,000 c.i.f. value (other than construction and mining machinery (code number 84.02) and motor cycles (code number 87.05))”.

Transitional provisions

6. (1) Where goods are imported into the Islands before the date of commencement of this Law and not cleared out of Customs charge before that date -

- (a) duties shall be charged, collected and paid through Customs to the Treasury upon those imported goods in all respects as if this Law had not come into force; and
- (b) duty free concessions shall be granted in respect of those imported goods in all respects as if this Law had not come into force.

(2) Where goods are imported into the Islands before the date of commencement of this Law and not cleared out of Customs charge before that date, package tax shall be charged, collected and paid upon those imported goods in all respects as if this Law had not come into force.

(3) Where goods are imported into the Islands before the date of commencement of this Law and the goods are held on that date -

- (a) in the transit shed at the Owen Roberts International Airport; or
- (b) in the Queen’s Warehouse,

the charges payable for handling, general care and storage of the goods shall be in all respects as if this Law had not come into force.

Passed by the Legislative Assembly the                      day of                      , 2009.

Speaker.

Clerk of the Legislative Assembly.