

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE STAMP DUTY LAW (2011
REVISION) TO INCREASE THE DUTY ON SPECIFIED PROPERTY
TRANSACTIONS; AND FOR RELATED AND CONNECTED MATTERS**

THE STAMP DUTY (AMENDMENT) BILL, 2012

MEMORANDUM OF OBJECTS AND REASONS

This Bill amends the Stamp Duty Law (2011 Revision).

Clause 1 of the Bill sets out the short title of the legislation.

Clause 2 amends the Schedule to the principal Law to, among other things, increase the stamp duty payable on conveyances or transfers of immovable property to 7.5% whether the transferee is a Caymanian or non-Caymanian and vary the duty payable where Caymanians are acquiring property for the first time. The clause also amends the Schedule to provide for the stamp duty payable on property insurance.

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A BILL FOR A LAW TO AMEND THE STAMP DUTY LAW (2011 REVISION) TO INCREASE THE DUTY ON SPECIFIED PROPERTY TRANSACTIONS; AND FOR RELATED AND CONNECTED MATTERS

ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Stamp Duty (Amendment) Law, 2012. Short title
2. The Stamp Duty Law (2011 Revision) is amended in the Schedule as follows - Amendment of Schedule to the Stamp Duty Law (2011 Revision) - rates of duty
 - (a) under the heading “CONVEYANCE OR TRANSFER of any immovable property” -
 - (i) by deleting paragraph (2) and substituting the following paragraph -

“ (2) The charge to duty on a conveyance or transfer of immovable property not referred to in the Table to paragraph (1) is 7.5%.”;
 - (ii) by deleting subparagraphs (a) and (b) of paragraph (10) and substituting the following subparagraphs -

“(a) there is no charge to duty on the instrument effecting such transfer if -

- (i) in the case of land with a building, the consideration is \$300,000 or less; or
 - (ii) in the case of land without a building, the consideration is \$100,000 or less;
 - (b) duty at the rate of 2% of the consideration is chargeable on the instrument if -
 - (i) in the case of land with a building, the consideration exceeds \$300,000 but does not exceed \$400,000; or
 - (ii) in the case of land without a building, the consideration exceeds \$100,000 but does not exceed \$150,000; and
 - (c) duty at the rate of 7.5% of the consideration is chargeable on the instrument if -
 - (i) in the case of land with a building, the consideration exceeds \$400,000; or
 - (ii) in the case of land without a building, the consideration exceeds \$150,000.”;
- (b) by deleting the heading “POLICY OF INSURANCE other than life insurance” and substituting the following heading -

“POLICY OF INSURANCE other than life insurance and property insurance”; and
- (c) by inserting in the appropriate alphabetical sequence the following heading and provisions -

“POLICY OF PROPERTY INSURANCE	2% of the
	cost of
	new or
	renewed
	property
	insurance
	premiums

For the purposes of this charge to duty -

- (a) “Policy of property insurance” includes every writing whereby any contract of property insurance is made or agreed to be made; and
- (b) “property” means immovable property.”.

Passed by the Legislative Assembly the day of , 2012.

Speaker.

Clerk of the Legislative Assembly.