

ARRANGEMENT OF CLAUSES

1. Short title
2. Amendment of section 5 of principal Act
3. Repeal of sections 5A and 5B of principal Act
4. Amendment of section 7 of principal Act



ACT NO. 23 OF 2015



I assent,

CÉCILE E. F. LA GRENADE

Governor-General.

31st July, 2015.

AN ACT to amend the Property Transfer Tax Act, CAP. 257C.

[14th August, 2015].

BE IT ENACTED by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives and by the authority of the same as follows—

1. This Act may be cited as the—

Short title.

PROPERTY TRANSFER TAX (AMENDMENT) ACT,
2015

and shall be read as one with the Property Transfer Tax Act CAP. 257C, hereinafter referred to as the “principal Act”.

2. Section 5 of the principal Act is amended by inserting after subsection (4) the following sub-sections—

Amendment of section 5 of principal Act.

“(5) For the purposes of subsections (2) and (3), the excess of the value of the property over one hundred and fifty thousand dollars and twenty thousand dollars, respectively, shall be determined with reference to the value of the entire property transferred, regardless of the number of transferors and if there has been a number of transactions between the same or connected persons relating to property that is contiguous or has been owned by the same person or persons, all such transactions are treated as a single transfer of property for the purposes of determining such excess.

(6) Where the property to be transferred consists of land for exclusive use in carrying out a project for which the purchaser is eligible for an investment allowance under section 36A of the Income Tax Act, Chapter 149, the rate of tax payable by the purchaser is five percent if the purchaser is not a citizen.

(7) Subject to sub-section (6), where a purchaser who is not a citizen is allowed a rate of tax of five percent for exclusive use in carrying out a project, where the project is not commenced within two years of acquisition, the property tax waived shall be repaid to the Comptroller.”

Repeal of sections 5A and 5B of principal Act.

3.—(1) Sections 5A and 5B of the principal Act are hereby repealed and substituted with the following section—

“Transfer of villa or apartment

5A. (1) In the case of—

(a) the first transfer of a villa or apartment in a tourism complex by the developer of the complex, the rate of tax payable on such transfer of property is one per cent of the market value of such property, payable by the vendor, and five percent payable by the purchaser if the purchaser is not a citizen;

(b) on any subsequent transfer of a villa or apartment in a tourism complex, the rate of tax payable on such transfer of property is two and one-half percent of the market value of such property, payable by the vendor and two and one-half percent payable by the purchaser where the purchaser is not a citizen of Grenada.

(2) For the purposes of this section, “*tourism complex*” means a geographically contiguous group of villas or apartments—

- (a) which has been constructed or substantially reconstructed after the date of enactment of this Act;
- (b) which is operated by agreement as an integrated facility offering accommodation primarily to tourists and other short-term visitors; and
- (c) where some or all of the villas or apartments are or will be owned by separate persons.

(3) A complex shall not be treated as a tourism complex if under the agreement for the operation of the complex, any owner of a villa or apartment in the complex has the right to occupy the villa or apartment for a period exceeding four weeks per year.”

(2) Notwithstanding the repeal of sections 5A and 5B under sub-section (1), the sections shall continue to apply in respect of any approved tourism development that received Cabinet approval before the commencement date of this Act.

4. Section 7 of the principal Act is amended by repealing subsection (5).

Passed by the House of Representatives this 29th day of May, 2015.

WILLAN THOMPSON
Clerk to the House of Representatives.

Passed by the Senate this 5th day of June 2015.

WILLAN THOMPSON
Clerk to the Senate.

GRENADA

PRINTED BY THE GOVERNMENT PRINTER, AT THE GOVERNMENT
PRINTING OFFICE, ST. GEORGE'S

14/8/2015