

ARRANGEMENT OF CLAUSES

1. Short title and commencement
2. Amendment of section 5 of principal Act



GRENADA

ACT NO. 9 OF 2016

I assent,



CÉCILE E. F. LA GRENADE
Governor-General.

6th April, 2016.

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

[By Order].

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 of Grenada, and by the authority of the same as follows—

1. —(1) This Act may be cited as the

Short title and
commencement.

PROPERTY TRANSFER TAX (AMENDMENT)
ACT, 2016

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

(2) This Act shall come into force on such a day as the Minister of Finance may appoint by Order in the *Gazette*.

Amendment to
section 5 of
principal Act.

2. Section 5 of the principal Act is amended by repealing subsections (6) and (7) and substituting therefor the following new subsections—

“(6) Where the purchaser is a non-citizen and the property to be transferred consists of land for the purposes of a qualifying investment for the purposes of the Investment Act, 2014 or regulations made thereunder, the Comptroller shall waive—

- (a) fifty per cent of the tax payable, if the qualifying investment is in a priority sector with qualifying costs not exceeding thirty million dollars;
- (b) seventy-five per cent of the tax payable, if—
 - (i) the qualifying investment is located in the parish of St. George; and
 - (ii) the qualifying investment is in a priority sector with qualifying costs exceeding thirty million dollars but not exceeding eighty million dollars;
- (c) one hundred per cent of the tax payable, if—
 - (i) the qualifying investment is in a priority sector with qualifying costs exceeding thirty million dollars and is located outside of the parish of St. George; or

- (ii) the qualifying investment is in a priority sector with qualifying costs exceeding eighty million dollars.
- (7) Subject to subsection (8), where a purchaser who was granted a waiver on property transfer tax in accordance with subsection (6)–
 - (a) fails to commence the qualifying investment within two years of the grant of waiver under subsection (6);
 - (b) fails to satisfy the requisite threshold for qualifying costs as prescribed under subsection (6) upon completion of the qualifying investment or within the period specified in an investment agreement for the purposes of the qualifying investment, whichever first occurs; or
 - (c) fails to complete the qualifying investment, and transfers the property to any other party,

the purchaser shall within two months thereafter pay to the Comptroller the waived property transfer tax, after which all interests and penalties under the Tax Administration Act, 2016 shall be applicable.

- (8) The Comptroller, in consultation with the agency responsible for promotion and facilitation of investment, may grant an extension not exceeding twelve months to any time prescribed under paragraph (a) or (b) of subsection (7) for satisfaction of the respective requirement.

- (9) For this purposes of this section, “commence” and “commencement”, in relation to a qualifying investment, mean commencement of infrastructural work.”
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Passed by the House of Representatives this 19th day of February, 2016.

WILLAN A. THOMPSON
Clerk to the House of Representatives.

Passed by the Senate this 1st day of March, 2016.

WILLAN A. THOMPSON
Clerk to the Senate.

GRENADA
