

CHAPTER 16A ANNUAL STAMP TAX ACT

• Act • Subsidiary Legislation •

ACT

Act No. 36 of 1992

Amended by

Act No. 32 of 1998

Act No. 12 of 1999

Act No. 15 of 2000

Act No. 26 of 2002

Act No. 14 of 2005

ARRANGEMENT OF SECTIONS

- | | |
|-----------------|--|
| 1. | Short title. |
| 2. | Interpretation. |
| 3. | Stamp tax. |
| 3A. | Liability for payment of tax. |
| 4. | Money to be paid into Consolidated Fund. |
| 5. | Determination of stamp tax. |
| 6. | Taxpayer to file return. |
| 7. | Comptroller may request information. |
| 8. | <i>Repealed.</i> |
| 9. | <i>Repealed.</i> |
| 10. | <i>Repealed.</i> |
| 11. | <i>Repealed.</i> |
| 12. | <i>Repealed.</i> |
| 13. | Taxable persons to register with the Comptroller. |
| 14. | <i>Repealed.</i> |
| 15. | Minimum and maximum stamp tax. |
| 16. | Failure to pay stamp tax. |
| 16A. | Provisions of the Income Tax Act. |
| 17. | <i>Repealed.</i> |
| 18. | Recovery of stamp tax by distraint. |
| 18A. | Bailiff's receipts. |
| 18B. | Sale of goods levied and disposal of proceeds. |
| 19. | Exemptions. |
| 20. | Deduction of stamp tax for business levy purposes. |
| 21. | Repeal. |
| 22. | Commencement. |
| 23. | <i>Spent.</i> |
| First Schedule | Percentage Rate of Stamp Tax |
| Second Schedule | Gross Receipts subject be Tax |
| Third Schedule | Warrant to Levy on Goods Issued Pursuant to Section 18 of the Annual Stamp Tax Act |

CHAPTER 16A ANNUAL STAMP TAX ACT

An Act to provide for an annual Stamp tax.

[Act No. 36 of 1992 amended by Act No. 32 of 1998, Act No. 12 of 1999, Act No. 15 of 2000, Act No. 26 of 2002, Act No. 14 of 2005.]

[1st January, 1992.]

1. Short title

This Act may be cited as the Annual Stamp Tax Act.

2. Interpretation

In this Act—

“body of persons” means any association of persons, however described, but does not include an incorporated company or a partnership;

“business” includes calling, vocation, occupation, profession, trade, industry, service enterprise, manufacture, commercial activity or undertaking of any kind whatever;

“Comptroller” means Comptroller of Inland Revenue;

“person” includes an individual, a trust, the estate of a deceased person, or body of persons, a company, a partnership and every other judicial person.

3. Stamp tax

Every person who is engaged in a business shall pay to the Comptroller an annual stamp tax in accordance with the provisions of this Act.

3A. Liability for payment of tax

Every person liable or about to become liable for the payment of tax under this Act shall register with the Comptroller and provide such information to the Comptroller as may be required by him or her to give effect to such registration.

4. Money to be paid into Consolidated Fund

All monies received under this Act shall be paid into the Consolidated Fund.

5. Determination of stamp tax

(1) The stamp tax imposed under section 3 shall be such percentage of the gross receipts for the year immediately preceding the year for which the stamp tax is paid as specified in the First Schedule.

(2) The gross receipts of a business shall include the receipts specified in the Second Schedule.

6. Taxpayer to file return

(1) Every person required to pay stamp tax shall for each year submit a return of the gross receipts of his or her business to the Comptroller as well as any other information requested by the Comptroller under section 7(1).

(2) The return to be submitted to the Comptroller under subsection (1) shall be submitted by the 31st March of each year following the year to which the return relates.

(3) Any person who under this section—

- (a) fails or neglects to file a return;
- (b) files a false return;
- (c) fails or neglects to furnish any information requested by the Comptroller;
- (d) furnishes any false information to the Comptroller,

shall be guilty of an offence and, on summary conviction, shall be liable to a fine not exceeding two thousand dollars.

(4) Any person who, having been convicted under subsection (3) of failing to do anything required to be done by him or her under this section, fails within any further period specified by the Comptroller in a notice served on him or her to comply with the requirements of that notice, shall be guilty of a further offence and shall be liable for each day during which the offence continues to a fine of fifty dollars.

7. Comptroller may request information

(1) For the purpose of ascertaining the gross receipts of a business, the Comptroller may request information from the person who is engaged in that business.

(2) The Comptroller may, where the information required under subsection (1) is not submitted or is not reliable, compute the gross receipts of that business to the best of his or her judgement and determine the tax accordingly.

(3) The Comptroller may, in cases where the accounting period of a business varies from the calendar year, use figures based on the actual accounting period.

8. Repealed.

9. Repealed.

10. Repealed.

11. Repealed.

12. Repealed.

13. Taxable persons to register with the Comptroller

(1) The stamp tax charged under this Act in respect of any particular year shall be due and payable in nine equal monthly instalments between the months of April and December of the year in which the tax is payable.

(2) Interest at the rate of two per cent per month or part thereof shall be charged on any amount due and payable under this Act for the period it remains unpaid.

14. Repealed.

15. Minimum and maximum stamp tax

The stamp tax charged under this Act shall not be less than one hundred dollars.

16. Failure to pay stamp tax

Any person who fails or neglects to pay the stamp tax by the date payable shall be guilty of an offence and shall be liable, on summary conviction, to a fine not exceeding the sum of ten thousand dollars.

16A. Provisions of the Income Tax Act

The following provisions of the Income Tax Act, Chapter 149A, with such modifications as are necessary shall apply for the purpose of this Act—

- (a) sections 77, 94(2) and (3);
- (b) sections 78 to 85, except section 81;

- (c) Part XI, except sections 86(6) and 89(3);
- (d) sections 99, 100, 102, 103, 104, 105, 107 and 107A;
- (e) section 108;
- (f) section 109; and
- (g) section 111.

17. Repealed.

18. Recovery of stamp tax by distraint

(1) Where any person fails to pay any stamp tax when it becomes due and payable, the Comptroller may file with the bailiff a warrant certified by the Comptroller as correct, of the stamp tax due and payable and unpaid.

(2) A warrant filed under subsection (1) shall be treated by the bailiff as having the same effect as a civil judgement given by a court of competent jurisdiction in favour of the Comptroller for a debt of the amount specified in the warrant, and the bailiff shall proceed to levy on the goods of the person named in the warrant to such extent as is necessary for the recovery of the unpaid stamp tax and to meet any proper charges of the bailiff.

(3) A warrant for the purposes of this section shall be in the form prescribed in the Third Schedule.

18A. Bailiff's receipts

On payment of the stamp tax due and the expenses incurred thereon, the bailiff shall give acquaintances under his or her hand unto the persons who pay the same on numbered (counterfoil) receipt forms with which the bailiff shall be supplied by the Comptroller and shall pay over to the Comptroller daily or at such other times as the Comptroller may direct, all monies received by him or her under this Act.

18B. Sale of goods levied and disposal of proceeds

(1) Subject to this section, when any goods are levied on they shall after due notice given be sold by the bailiff at public auction in such manner as is usual in sales under executions issuing out of the Magistrates Court, but until such sale, the goods shall remain in the custody of the bailiff by whom the levy is made.

(2) For the purposes of a levy under this section, tools of trade, bedding and wearing apparel to the value of two hundred and fifty dollars shall be exempted from execution.

(3) The proceeds of such sale shall be paid over by the bailiff to the Comptroller after deducting therefrom all reasonable and necessary charges and expenses attending the levy and sale which may be allowed by the Comptroller, and such proceeds of sale shall be applied by the Comptroller towards satisfaction of the unpaid stamp tax and expenses and the surplus, if any, shall be restored on demand to the owner of the goods on which the levy was executed.

(4) After a levy, the owner of the goods may redeem the same at any time before the time appointed for the sale by paying the bailiff the full amount of the unpaid stamp tax and fines thereon, together with all costs and expenses incurred in relation thereto up to the date of such payment.

(5) Where at a public auction there is no bid sufficient to cover the levy and expenses, the bailiff may sell the goods to the highest bidder, but the taxpayer shall be liable for the balance of the unpaid stamp tax.

19. Exemptions

(1) This Act shall not apply to the Grenada Telecommunications Limited established under the Grenada Public Telecommunications Act, 1989.

(2) A person or business with an average gross receipt of thirty thousand dollars per annum or less shall not be liable to pay stamp tax under this Act.

(3) A bank registered under the Licences Act, Chapter 164, or the Banking Act, Chapter 26A, shall not be liable to pay stamp tax under this Act.

(4) The provisions of this Act shall not apply to dividends or other income accruing on securities listed on an exchange licensed by the Eastern Caribbean Securities Regulatory Commission under the Securities Act, Chapter 299A.

20. Deduction of stamp tax for business levy purposes

Stamp tax paid under this Act shall be deductible expenses for purposes of computing business levy under the Business Levy Act, Chapter 38A.

Repeal

21. The Trader and Professional Licences Act, 1992, is hereby repealed.

Commencement

22. This Act shall be deemed to have come into effect on the first day of January, 1992.

23. *Spent.*

First Schedule

ANNUAL STAMP TAX ACT

Percentage Rate of Stamp Tax

[Section 5(1).]

The percentage rate to be used in calculating the stamp tax shall be—

- (a) 0.25% in respect of businesses with gross receipts over thirty thousand dollars per annum but not exceeding one hundred thousand dollars per annum;
- (b) 0.5% in respect of businesses with gross receipts exceeding one hundred thousand dollars per annum.

Second Schedule

ANNUAL STAMP TAX ACT

Gross Receipts subject to Tax

[Section 5(2).]

Gross Receipts shall include—

- (a) sale or the disposal of goods and services;
- (b) investment income;
- (c) rental income;
- (d) interest income;

- (e) dividends;
- (f) cost of material legible stock;
- (g) royalties;
- (h) commissions and fees including income and fees from copyright, patents and intellectual property;
- (i) any other income not of a capital nature.

Third Schedule

ANNUAL STAMP TAX ACT

Warrant to Levy on Goods Issued Pursuant to Section 18 of the Annual Stamp Tax Act

[Section 18(3).]

By: The Comptroller of Inland Revenue

To:

Whereas the goods of (name of person)
of (address)
is liable under the Annual Stamp Tax Act, Chapter 16A, in the amount of

And whereas default has been made in payment of the amount of

You are therefore hereby enjoined and required to levy upon and sell the goods of which the
said (name of person)
is possessed or a sufficient part thereof to satisfy the amount mentioned above together with
costs attending and levy and sale and all other proceedings consequent thereon.

And you are required to make a return to me at the completion thereof.

Given under my hand at St. George's, Grenada this day of , 20

.....

Comptroller of Inland Revenue

**CHAPTER 16A
ANNUAL STAMP TAX ACT**

SUBSIDIARY LEGISLATION

No Subsidiary Legislation
