



**TURKS AND CAICOS ISLANDS**

**CHAPTER 19.05**  
**STAMP DUTY ORDINANCE**  
**and Subsidiary Legislation**

**Revised Edition**  
showing the law as at 31 August 2009

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Revised Edition of the Laws Ordinance 1997.

This edition contains a consolidation of the following laws—

**STAMP DUTY ORDINANCE**

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**STAMP DUTY (COMPOUNDING OF OFFENCES) REGULATIONS – Section 39**

39

Legal Notice 24 of 1995 .. in force 12 May 1995





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Published in 2011  
On the authority and on behalf of the Government of the Turks and Caicos Islands  
By  
The Regional Law Revision Centre Inc.

Available for purchase from—

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Waterloo Plaza  
Airport Road  
Grand Turk  
Turks and Caicos Islands  
British West Indies

Tel: (649) 946-2096  
Fax: (649) 946-1329  
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Printed on the authority and on behalf of the Government of the Turks and Caicos Islands  
by  
The Regional Law Revision Centre Inc.  
P.O. Box 1626, Hannah-Waver House, The Valley, AI-2640, Anguilla  
Authorised Printers for this Revised Edition

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**STAMP DUTY ORDINANCE**  
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**CHAPTER 19.05**  
**STAMP DUTY ORDINANCE**

*(Ordinances 7 of 1992, 33 of 1994 and  
Legal Notices 24/1993, 33/1994, 3/1996, 38/2001, 14/2002, 38/2003, 10/2005,  
21/2005 and 5/2009)*

AN ORDINANCE TO REPEAL AND REPLACE THE STAMP DUTY ORDINANCE AND  
FOR CONNECTED PURPOSES.

**Commencement**

*[1 September 1992]*

PART I

PRELIMINARY

**Short title**

1. This Ordinance may be cited as the Stamp Duty Ordinance.

**Interpretation**

2. (1) In this Ordinance, unless the context otherwise requires—  
“adhesive stamp” has the meaning assigned to it by section 5;  
“assessment” means an assessment made by the Collector under section 12;  
“bearer instrument” means any instrument to bearer by delivery of which stock  
can be transferred;  
“chargeable” means chargeable to stamp duty;  
“cheque” means a bill of exchange drawn on a banker, payable on demand;  
“Collector” means the Collector of Stamp Duty appointed under section 3;  
“conveyance” means every instrument, including a surrender and a declaration  
of trust, and every order of any court, whereby any immovable property is  
transferred to or vested in or declared to be held in trust for any person;  
“conveyance on sale” means every conveyance whereby any immovable  
property in the Turks and Caicos Islands, upon the sale thereof, is  
transferred to or vested in a purchaser or any other person on his behalf or  
by his direction, and includes a foreclosure order;  
“duly stamped” in relation to an instrument, means duly stamped under this  
Ordinance in respect of the stamp duty chargeable thereon;  
“executed” and “execution”, in relation to an instrument not under seal, mean  
signed and signature respectively;  
“foreclosure order” means every order or decree for or having the effect of an  
order for foreclosure;

“instrument” includes every written document;

“instrument of transfer” means an instrument by means of which any stock is transferred and includes a letter of renunciation;

“lease” does not include a mortgage by demise;

“loan capital” means any debenture, debenture stock, corporation stock or funded debt (by whatever name known) issued by any body, whether corporate or unincorporate, or any capital raised by any such body, being capital which is borrowed or has the character of borrowed money, but does not include any such investment which—

- (a) carries a right of conversion into stock or to the acquisition of any stock; or
- (b) carries or has carried a right to interest the amount of which—
  - (i) exceeds a reasonable commercial return on the nominal amount of the capital; or
  - (ii) falls or has fallen to be determined to any extent by reference to the results of or any part of, a business or to the value of any property; or
- (c) carries a right on repayment to an amount which exceeds the nominal amount of the capital and is not reasonably comparable with what is generally repayable in respect of a similar nominal amount of capital under the terms of issue of loan capital listed on a recognized stock exchange;

“motor vehicle” means any vehicle containing a mechanical propulsion unit, whether capable of propulsion or not, intended or adapted for use on roads;

“recognized stock exchange” means a stock exchange approved in writing by the Permanent Secretary, Finance for the purposes of this Ordinance;

“stamp” means any of the following—

- (a) an adhesive stamp;
- (b) a stamp other than an adhesive stamp used or intended for use for denoting the payment or remission of stamp duty or the payment or remission of any penalty or the payment of an adjudication fee, payable under this Ordinance, or the fact that any instrument is not chargeable or is duly stamped;
- (c) any mark made or indication given by a stamp referred to in paragraph (b) above;

“stamp duty” means the stamp duty chargeable under this Ordinance;

“stamped” means stamped by means of a stamp under this Ordinance;

“stock” means any of the following—

- (a) shares, stocks, debentures, loan stocks, funds, bonds or notes of or issued by any company registered or continued under the



Companies Ordinance or any otherwise similar investment of any description so issued;

- (b) rights in or in relation to any stock referred to in paragraph (a) which is held by a depository under a scheme providing for the deposit of stock with such depository and the creation and acquisition of such rights;
- (c) rights to subscribe for or to be allotted any stock referred to in paragraph (a) or (b) other than such rights under an employees share purchase or share option scheme,

but, except for the purposes of section 18, does not include any loan capital which is not funded debt or of such description as to be capable of being listed on a recognized stock exchange, or any bill or promissory note or any certificate of deposit;

“time for stamping”, in relation to an instrument, has the meaning assigned to it by section 4(2).

(2) Where it is provided in any other Ordinance that stamp duty shall not be payable in respect of any instrument, such instrument shall not be chargeable with stamp duty under this Ordinance.

(3) Where it is provided in this Ordinance that an instrument shall not be duly stamped unless any condition specified in that provision is fulfilled, the fulfilment of that condition shall not affect the application to that instrument of any other provision of this Ordinance whereby any other condition is required to be fulfilled in respect of that instrument.

### **Collector of Stamp Duty and assistant collectors**

3. (1) There shall be a Collector of Stamp Duty who shall be a public officer appointed by the Governor and such number of assistant collectors who shall be public officers as the Governor may appoint for the purposes of this Ordinance.

(2) The offices of the Collector shall be at such place or places as the Minister responsible for Finance may determine.

(3) Any reference in this Ordinance to the Collector shall, in relation to the exercise of any function conferred upon the Collector by that provision, include a reference to any assistant collector who is for the time being authorized in writing by the Collector to exercise that function.

## **PART II**

### **CHARGING AND STAMPING OF INSTRUMENTS**

#### **Charging of, liability for and recovery of stamp duty**

4. (1) Subject to this Ordinance, every instrument, wherever executed, specified in Schedule 1, shall be chargeable with the stamp duty specified in

respect thereof in that Schedule and the headings, notes, explanations and exemptions in that Schedule shall have effect accordingly.

(2) Subject to this Ordinance, the time for stamping any instrument shall be the point of time, or as the case may be, the period of time, specified in respect thereof in Schedule 1 but, where it is provided in that Schedule that the point of time for stamping an instrument is before execution, such provision shall not be construed as prohibiting the stamping of such instrument after execution:

Provided that, in the case of an instrument first executed out of the Islands, the time specified for stamping such instrument, if specified in Schedule 1 as being a period after execution, shall be deemed to be the like period running from the date on which that instrument is first brought into the Islands.

(3) If any instrument chargeable with stamp duty is not duly stamped, the person or persons specified in Schedule 1 as being liable for stamping that instrument and any person who uses that instrument, shall be liable, or jointly and severally liable, as the case may be, civilly to the Collector for the payment of the stamp duty and any penalty payable under section 8, and may be proceeded against without reference to any civil liability of such persons as between themselves for the payment thereof.

(4) No action shall be brought by virtue of subsection (3) for the recovery of any stamp duty with respect to any instrument more than six years from the expiration of the time specified for the stamping of such instrument under this Ordinance.

### Methods of stamping and denoting

5. (1) Subject to this section and to section 8, every instrument chargeable with stamp duty shall be presented to the Collector for stamping and, upon payment of the stamp duty, he shall stamp the instrument or cause it to be stamped—

- (a) by means of a franking machine with the amount of stamp duty paid and the date of stamping; or
- (b) by means of a stamp approved by the Collector with the words “Stamp Office Turks and Caicos Islands” and the date of stamping,

and, in the case of an instrument stamped under paragraph (b), the Collector shall at the same time record on the instrument, as close as possible to the date so stamped, the amount of stamp duty paid together with his signature.

(2) Any instrument chargeable with stamp duty under Head 1(3) in Schedule 1 may be stamped by any person by means of the adhesive postage stamps of the Islands affixed to the instrument by that person.

(3) In respect of any bearer instrument, the following shall apply—

- (a) the instrument shall, before being issued, be produced to the Collector with such particulars in writing in respect of the instrument as the Collector may require, and the instrument shall

be duly stamped if it is stamped with a particular stamp approved by the Collector denoting that it has been so produced; and

- (b) within two months after the date on which the instrument is issued, or within such longer time as the Collector may allow, a statement in writing containing the date of issue and such further particulars as the Collector may require in respect of the instrument shall be delivered to the Collector, and the stamp duty chargeable on the instrument shall be paid to the Collector on delivery of that statement or within such longer time as the Collector may allow,

and if default is made in complying with paragraph (a) or (b) in respect of the instrument, or if any particulars produced in accordance with paragraph (a) or delivered in accordance with paragraph (b) are false in any material respect, the persons respectively specified in Head 2 in Schedule 1 as being liable for stamping the instrument shall incur a penalty of ten times the amount of the stamp duty chargeable on the instrument, which shall be recoverable by the Collector as a civil debt due to the Government.

(4) Where the stamp duty chargeable on an instrument depends in any manner upon the stamp duty paid in respect of another instrument, the payment of the last mentioned stamp duty shall, upon application to the Collector and production of both the instruments, be denoted upon the first mentioned instrument in such manner as the Collector thinks fit.

(5) Payment of stamp duty on any cheque may be denoted by the printing on its face before issue, by the banker upon whom it is to be drawn, under the written authority of the Collector, of a notation that stamp duty has been paid under the provisions of this Ordinance.

### **Cancellation of adhesive postage stamps**

6. (1) Every adhesive postage stamp used to denote the payment of stamp duty under section 5(2) shall be cancelled forthwith by the person affixing it, in such manner as to render it incapable of being used again for any revenue or postal purpose.

(2) An instrument stamped by means of an adhesive postage stamp shall not be duly stamped unless the adhesive postage stamp is cancelled in the manner required by subsection (1).

### **Duplicates and counterparts**

7. The duplicate or counterpart of any instrument chargeable with stamp duty shall not be duly stamped unless it is stamped as an original instrument or there is denoted upon it payment of the stamp duty paid in respect of the original instrument of which it is the duplicate or counterpart.

### **Late stamping**

8. (1) Except in the case of an instrument to which section 12(6)(a) applies, any instrument chargeable with stamp duty which is not stamped before or within the time for stamping such instrument, shall not be stamped except by the

Collector upon payment of the stamp duty plus a penalty of whichever of the following amounts applies to the case—

- (a) if the instrument is so stamped not later than one month after the time for stamping, half the amount of the stamp duty;
- (b) if the instrument is so stamped later than one month but not later than two months after the time for stamping, double the amount of the stamp duty;
- (c) in any other case, four times the amount of the stamp duty.

(2) The Permanent Secretary, Finance may, for good cause shown, remit the whole or any part of any penalty payable under subsection (1).

(3) The payment or remission of a penalty payable under this section may be denoted by the Collector in such manner as he thinks fit.

### **How instruments to be written, charged and stamped**

**9.** (1) Every instrument chargeable with stamp duty shall be so written that the stamp may appear on the face of the instrument and cannot be used for or applied to any other instrument.

(2) Every instrument chargeable with stamp duty containing or relating to several distinct matters shall be separately and distinctly charged, as if it were a separate instrument, with stamp duty in respect of each of those matters.

(3) Every instrument chargeable with stamp duty shall be separately and distinctly stamped with the stamp duty chargeable thereon.

(4) Subject to section 15(1), an instrument made for any consideration by reference to which it is chargeable with stamp duty and also for any further or other valuable consideration or considerations shall be separately and distinctly charged, as if it were a separate instrument, with stamp duty in respect of each of those considerations.

### **Facts and circumstances concerning stamp duty to be set forth**

**10.** (1) All the facts and circumstances affecting the liability of any instrument to stamp duty or the amount of stamp duty chargeable on an instrument are to be fully and truthfully set forth in the instrument.

(2) Any person who, with intent to defraud the Government—

- (a) executes any instrument in which all the said facts and circumstances are not fully and truthfully set forth; or
- (b) being employed or concerned in and about the preparation of any instrument, neglects or omits fully and truthfully to set forth therein all the said facts and circumstances which are within his knowledge,

commits an offence.

(3) The Permanent Secretary, Finance may, before the institution of criminal proceedings for any offence against subsection (2), compound that

offence for the payment to the Treasury of a monetary penalty of such amount as he thinks fit.

### **Power to call for abstract and evidence**

**11.** Whenever any instrument is presented to the Collector for stamping, the Collector may require to be furnished with an abstract of the instrument and also with such evidence as he may deem necessary in order to show to his satisfaction whether all the facts and circumstances affecting the liability of the instrument to stamp duty or the amount of the stamp duty chargeable thereon are fully and truthfully set forth therein.

### **Adjudication of stamp duty by the Collector**

**12. (1)** In respect of any executed instrument, the Collector may, and shall if he is so required by any person upon payment of an adjudication fee of \$20 to do so, express his opinion with reference to that instrument as to whether it is chargeable with any stamp duty and, if so, what amount of stamp duty is chargeable thereon.

(2) If the Collector is of opinion that the instrument—

- (a) is not chargeable with stamp duty, it may be stamped with a stamp approved by the Collector denoting that it is not so chargeable;
- (b) is chargeable with stamp duty, he shall assess the stamp duty payable and, subject to subsection (6), where the instrument is stamped under section 5 with a stamp denoting payment of the stamp duty so assessed, it may also be stamped with a stamp approved by the Collector denoting that it is duly stamped.

(3) Subject to this section, an instrument upon which the stamp duty has been assessed by the Collector and which is unstamped or insufficiently stamped shall not be stamped otherwise than in accordance with the assessment.

(4) Section 11 shall apply to an instrument in respect of which the Collector intends or is required to express his opinion under subsection (1) as it applies to an instrument presented for stamping, and where the Collector requires a statutory declaration to be made for the purposes of this section—

- (a) such declaration shall not be used against the person making it in any proceedings whatsoever except in an inquiry as to the stamp duty chargeable upon the instrument to which it relates; and
- (b) unless such declaration is shown not to be true in any material respect, the person by whom it is made shall, on payment of the stamp duty chargeable on the instrument, be relieved of any punishment to which he may be liable under section 10.

(5) Every instrument stamped under this section with a stamp denoting that it is not chargeable with stamp duty or that it is duly stamped shall be admissible in evidence and available for all purposes notwithstanding any objection relating to stamp duty.

(6) Where in respect of any instrument which is not stamped the Collector is required by any person under this section, before or within the time for stamping such instrument, to express his opinion under subsection (1), and such instrument is in the opinion of the Collector chargeable with stamp duty, the instrument—

- (a) may be stamped upon payment of the stamp duty if paid not later than the time for stamping the instrument or the expiration of a period of one month from the date on which the assessment of stamp duty was made, whichever is the later; or
- (b) if the stamp duty is not so paid, may be so stamped thereafter upon payment of the stamp duty and a penalty calculated under section 8, and for that purpose section 8 shall apply to the stamping of that instrument as it applies to the stamping of an instrument which is not stamped before or within the time for stamping such instruments.

(7) Where notice of an assessment of the stamp duty chargeable on any instrument is, within seven days from the date on which the assessment is made, served by registered post upon a person who required the Collector to express his opinion with reference thereto under subsection (1) or who is liable for stamping such instrument, such assessment shall, after the expiration of a period of one month from that date, be final and conclusive for all purposes against such person, except if and to the extent that an appeal made against it under section 13 succeeds.

(8) If it appears to the Collector, within a period of one month from the date on which an assessment is made of the stamp duty chargeable on any instrument, that the amount of stamp duty so assessed is excessive, he may cancel that assessment and make such other assessment in substitution therefor as he may think proper; and any reference in this Ordinance to an assessment shall be construed as including a reference to an assessment so substituted.

(9) The Collector may assess the stamp duty chargeable upon a conveyance or transfer—

- (a) stamped at any time within two years preceding the date of assessment; and
- (b) with reference to which he has not previously assessed the stamp duty under subsection (1),

if it appears to him that the conveyance or transfer was one to which the provisions of section 23(3) should have been applied, and, if the Collector assesses the stamp duty chargeable to be higher than that previously paid, the parties liable to pay the stamp duty shall pay the difference between the amount previously paid and the amount as assessed plus interest at the rate of 12 *per centum per annum* on the difference from the date it was first stamped. (*Inserted by Ord. 33 of 1994*)

### Appeal against assessment

13. (1) Any person who is aggrieved by an assessment of the Collector under section 12 may, within a period of one month from the date on which that assessment was made and on payment of stamp duty in conformity therewith, appeal against the assessment to the Supreme Court and may for that purpose require the Collector to state and sign a case setting forth the question upon which his opinion was required and the assessment made by him.

(2) The Collector shall thereupon state and sign a case and deliver it to the person by whom it is required and that person shall thereupon file the same in the Registry of the Court and serve a copy thereof upon the Attorney General; and thereafter the case shall be set down for hearing by the Court.

(3) Upon the hearing of the case the Court shall determine the question submitted, and if the instrument in question is in the opinion of the Court chargeable with stamp duty, the Court shall also assess the stamp duty chargeable thereon.

(4) If the amount of stamp duty assessed by the Court is less than the amount assessed by the Collector, the excess of stamp duty paid shall be ordered by the Court to be repaid, together with any excess of penalty paid under section 8.

(5) If in the opinion of the Court the assessment of the Collector is not excessive, the Court shall make an order confirming that assessment and dismissing the appeal.

(6) Costs upon any such appeal shall be in the discretion of the Court.

(7) In this section, "assessment" includes an assessment made under section 12(9). (*Inserted by Ord. 33 of 1994*)

### Non-admissibility etc of instruments not duly stamped

14. (1) No instrument chargeable with stamp duty shall be received in evidence in any proceedings whatsoever except—

(a) criminal proceedings; or

(b) civil proceedings by the Collector to recover stamp duty or a penalty payable under this Ordinance,

or be available for any other purpose whatsoever unless such instrument is duly stamped:

Provided that an instrument which is not duly stamped may be received in evidence in civil proceedings before a court if the court so orders upon the personal undertaking of an attorney to cause—

(i) such instrument to be stamped in respect of the stamp duty chargeable thereon; and

(ii) any penalty payable under section 8 in respect thereof to be paid.

(2) No instrument chargeable with stamp duty shall be acted upon, filed or registered by any public officer or body corporate unless such instrument is duly stamped; and any public officer or body corporate failing to comply with this subsection shall incur a penalty of \$500 which shall be recoverable by the Collector as a civil debt due to the Government.

### **Provisions relating to certain leases etc**

**15.** (1) A lease or agreement for a lease shall not be charged with stamp duty in respect of any penal rent or increased rent in the nature of a penal rent, thereby reserved or agreed to be reserved or made payable, or by reason of being made in consideration only of the surrender or abandonment of any existing lease or of agreement relating to the same subject matter.

(2) An agreement for a lease shall be chargeable with stamp duty as a lease made for the term and consideration only mentioned in the agreement.

### **Instrument increasing rent to be chargeable as a lease**

**16.** An instrument whereby the rent reserved by any other instrument chargeable with stamp duty and duly stamped as a lease is increased shall itself be chargeable with stamp duty as if it were a lease but in respect only of the additional rent made payable, but this section shall not apply to an instrument made solely for the purpose of giving notice of any such increase in compliance with any written law.

### **Calculation of stamp duty in other currencies**

**17.** (1) Where stamp duty falls to be calculated in respect of any instrument by reference to a sum of money expressed in a currency other than United States dollars, there shall, for the purpose of such calculation, be substituted for that sum of money its equivalent expressed in United States dollars at the rate of exchange prevailing on the date of execution of the instrument.

(2) For the purposes of this section the rate of exchange to be taken shall be the buying rate for the currency in question against United States currency, as determined by the Permanent Secretary, Finance, for telegraphic transfers at the commencement of business on the date of execution of the instrument or, if that date is a Sunday or a public holiday, on the business day immediately preceding that day.

## **PART III**

### **ANCILLARY PROVISIONS TO PART II**

### **Stamp duty where consideration consists of stock etc**

**18.** (1) Where the consideration or any part of it for a conveyance on sale of immovable property in the Islands consists of any stock, the conveyance shall be chargeable with stamp duty by reference to the value of the stock on the date of the conveyance.



(2) Where the consideration or any part of it for a conveyance on sale of immovable property in the Islands consists of any security not being stock, the conveyance shall be chargeable with stamp duty by reference to the amount due on the date of the conveyance for principal and interest upon the security.

**How consideration consisting of periodical payments to be charged**

**19.** (1) In the case of a conveyance on sale of immovable property in the Turks and Caicos Islands or a transfer or sale or purchase of stock, where the consideration or any part of it consists of money payable periodically for a definite period not exceeding 20 years so that the total amount to be paid can be previously ascertained, the conveyance or transfer shall be chargeable with stamp duty by reference to a consideration of such total amount.

(2) In the case of a conveyance or sale of such immovable property or a transfer on sale or purchase of stock, where the consideration or any part of it consists of money payable for a definite period exceeding 20 years or in perpetuity or for any indefinite period not terminable by death, the conveyance or transfer shall be chargeable with stamp duty by reference to a consideration of an amount equal to the total amount which will or may, according to the terms of sale, be payable during the period of 20 years after the date of the conveyance or transfer.

(3) In the case of a conveyance on sale of such immovable property or a transfer on sale or purchase of stock, where the consideration or any part of it consists of money payable periodically for a life or lives, the conveyance or transfer shall be chargeable with stamp duty by reference to a consideration equal to the amount which will or may according to the terms of sale, be payable during the period of 12 years after the date of the conveyance or transfer.

**Stamp duty chargeable where conveyance etc. is in consideration of debt, etc**

**20.** (1) In the case of a conveyance on sale of immovable property in the Turks and Caicos Islands or any transaction whereby a beneficial interest in stock passes, where the conveyance or transaction is in consideration, wholly or in part, of any debt due to the transferee or is subject, either certainly or contingently, to the payment or transfer of any money or stock, whether or not being or constituting a charge or encumbrance upon the property or interest so conveyed or passing, the debt, money or stock is to be deemed the whole or part, as the case may be, of the consideration by reference to which the conveyance or transfer is chargeable with stamp duty.

(2) Where a conveyance on sale of immovable property in the Islands or a transaction whereby a beneficial interest in any stock passes is in consideration, wholly or in part, of any debt due to the transferee and, apart from this subsection, the consideration by reference to which the conveyance or transfer would be chargeable to stamp duty would exceed the value of the property conveyed or beneficial interest passing, that consideration shall be treated as reduced to that value, and the conveyance or transfer shall not be duly stamped unless it is stamped under section 12(2).

**Stamp duty chargeable in case of certain conveyances**

**21.** (1) Where immovable property in the Turks and Caicos Islands contracted to be sold for one consideration for the whole is conveyed to the purchaser in separate parts or parcels by different instruments, the consideration shall be apportioned in such manner as the parties think fit, so that a distinct consideration for each part or parcel is set forth in the conveyance relating thereto, and such conveyance shall be chargeable with stamp duty by reference to such distinct consideration.

(2) Where immovable property in the Islands contracted to be purchased for one consideration for the whole by two or more persons jointly, or by any person for himself and others or wholly for others, is conveyed in parts or parcels by separate instruments to the persons by or for whom the same was purchased for distinct parts of the consideration, the conveyance of each separate part or parcel shall be chargeable with stamp duty by reference to the distinct part of the consideration so specified.

(3) Where there are several instruments of conveyance for completing the purchaser's title to such immovable property sold, the principal instrument of conveyance only shall be chargeable with the stamp duty and not the other instruments employed.

(4) Where a person ("the first purchaser") having contracted for the purchase of any such immoveable property, but not having obtained a conveyance thereof, contracts to sell the same to any other person ("the sub-purchaser") and the property is in consequence conveyed to the sub-purchaser—

- (a) within 90 days of the date of the first-mentioned purchase, the conveyance shall be chargeable with stamp duty by reference to the consideration moving from the sub-purchaser only; or
- (b) after 90 days from the date of the first-mentioned purchase, the first purchaser shall be liable to pay a sum for the benefit of the Revenue of the Islands equivalent to the stamp duty that would have been paid by him if the property had been conveyed to him.

*(Substituted by Ord. 33 of 1994)*

(5) Where a person having contracted for the purchase of any such immovable property but not having obtained a conveyance contracts to sell the whole or any part or parts thereof to any other person or persons and the property in consequence is conveyed by the original seller to different persons in parts or parcels, the conveyance of each part or parcel shall be chargeable with stamp duty by reference only to the consideration moving from the sub-purchaser thereof without regard to the amount or value of the original consideration.

(6) Where a sub-purchaser takes an actual conveyance of the interest of the person immediately selling which is chargeable with stamp duty by reference to the consideration moving from him and is duly stamped accordingly, any conveyance to be afterwards made to him of the same immovable property by the original seller shall not be chargeable with stamp duty.

### Stamp duty chargeable on contracts etc for sale of equitable estate

22. (1) Any contract or agreement for the sale of any equitable estate or interest in any immovable property in the Turks and Caicos Islands shall be chargeable with stamp duty as if it were an actual conveyance on sale of the estate or interest concerned.

(2) Where stamp duty has been paid under subsection (1) and the purchaser, before having obtained a conveyance of the property, enters into a contract or agreement for the sale thereof, that contract or agreement shall be charged, if the consideration for that sale is in excess of the consideration for the original sale, with stamp duty chargeable by reference to such excess consideration but shall not otherwise be chargeable with stamp duty.

(3) Where stamp duty has been paid under subsection (1) or (2), the conveyance made to the purchaser or sub-purchaser or other person on his behalf or by his direction shall not be chargeable with any stamp duty and the Collector shall, upon application and production of the contracts or agreements, duly stamped, denote upon the conveyance the payment of stamp duty.

(4) Where a conveyance made in conformity with a contract or agreement referred to in subsection (1) or (2) which has not been stamped is presented to the Collector for stamping within six months after the execution of the contract or agreement, or such longer period or the Collector thinks reasonable in the circumstances of the case, the conveyance shall be stamped accordingly and the contract or agreement shall thereupon cease to be chargeable with any stamp duty.

(5) Where any contract or agreement referred to in subsection (1) or (2) is rescinded or annulled, any stamp duty paid in respect thereof shall be refunded by the Collector.

### Voluntary dispositions

23. (1) Any conveyance of immovable property in the Turks and Caicos Islands operating as a voluntary disposition *inter vivos* shall be chargeable with stamp duty as a conveyance on sale, with the substitution of the value of the property conveyed for the amount or value of the consideration for the sale.

(2) A conveyance or transfer operating as a voluntary disposition *inter vivos* other than on sale shall not be duly stamped unless the Collector has stamped the instrument concerned under section 12(2)(b).

(3) Any conveyance or transfer, not being a disposition made in favour of a purchaser or incumbrancer or other person in good faith and for valuable consideration, shall for the purposes of this Ordinance be deemed to be a conveyance or transfer operating as a voluntary disposition *inter vivos* and, except where the consideration is marriage, the consideration for any conveyance or transfer shall not for this purpose be deemed to be valuable consideration where the Collector is of opinion that, by reason of the inadequacy of the sum paid as consideration or other circumstances, the conveyance or transfer confers a substantial benefit on the person to whom the property is conveyed or transferred.

- (4) Nothing in this section shall apply to a conveyance or transfer made—
- (a) for nominal consideration for the purpose of securing the repayment of an advance or loan; or
  - (b) for effectuating the appointment of a new trustee whether the trust is express or implied;
  - (c) to a beneficiary by a trustee, executor, administrator or other person in a fiduciary capacity under any trust or will or on intestacy;
  - (d) to effect the distribution of the estate of a bankrupt or the assets of a company in liquidation;
  - (e) in pursuance of a settlement made in the course of or consequence of nullity, divorce or judicial separation proceedings and approved by an order of the court; or
  - (f) under which no beneficial interest passes in the property conveyed or transferred, and this subsection shall have effect notwithstanding that the circumstances exempting the conveyance or transfer from charge under this section are not set forth in the conveyance or transfer concerned.

(5) In this section, “conveyance” includes any agreement for a lease or any release or renunciation of immovable property.

### **Certificate with respect to certain conveyances on sale**

**24.** (1) References in Head 4 in Schedule 1 to a conveyance on sale being certified at a particular amount mean that such conveyance contains a statement certifying that the transaction effected by the instrument does not form part of a larger transaction or series of transactions in respect of which the amount or value, or the aggregate amount or value, of the consideration exceeds that amount.

(2) In subsection (1) a reference to the amount or value of the consideration shall be construed—

- (a) in relation to stamp duty chargeable on a conveyance operating as a voluntary disposition *inter vivos*, as a reference to the value of the property conveyed; and
- (b) in relation to stamp duty chargeable on a lease or agreement for a lease, as a reference to the amount or value of the consideration in money, stock or security, other than rent.

(3) Notwithstanding that a conveyance is certified under subsection (1), if it appears to the Collector that the transaction forms part of a larger transaction or series of transactions (the proof of which to the contrary shall lie with the purchaser of the immovable property in question) stamp duty shall be chargeable accordingly. (*Inserted by Ord. 33 of 1994*)

### Special provisions as to exempted companies

**25.** (1) In this Ordinance, any reference to an “exempted company” shall be interpreted as a reference to a company subject to the provisions of Part VII of the Companies Ordinance.

(2) If any instrument has within the previous six year period obtained exemption from the payment of any stamp duty by reason only of the fact that one or more of the parties thereto was, at the date of execution thereof, an exempted company, then none of those exempted companies shall thereafter exercise any power conferred upon them by section 193 of the Companies Ordinance to elect to be treated as companies which are not exempted companies, unless—

- (a) a sum equivalent to the stamp duty which would have been payable on that instrument if such companies had not been exempted companies as aforesaid has been paid into the Treasury, together with interest at 5 *per centum per annum* on that sum calculated from a date 30 days after the execution of the instrument; or
- (b) the Permanent Secretary, Finance has, in his absolute discretion, authorized one or more of the companies concerned in writing under his hand, to exercise such power without having made such payment.

## PART IV

### EXEMPTIONS AND RELIEF

#### Instruments generally exempt

**26.** The following instruments shall not be chargeable with stamp duty under this Ordinance—

- (a) all conveyances on sale to the Crown or the Government;
- (b) all surrenders of Crown leases.

#### Relief for gift to charitable institution

**27.** (1) Stamp duty under Head 4, Head 6, Head 7, or Head 8(3) in Schedule 1 shall not be chargeable on an instrument to which this section applies.

(2) This section applies to the following instruments—

- (a) any conveyance of immovable property in the Turks and Caicos Islands, where the beneficial interest thereon passes to any body of persons, corporate or unincorporate, which is certified by the Permanent Secretary, Finance to be established solely for charitable purposes;

- (b) any lease of such property, where the lessee is a body of persons, corporate or unincorporate, which is certified as mentioned in paragraph (a);
- (c) any transfer of stock operating as a voluntary disposition *inter vivos* in favour of any body of persons, corporate or unincorporate which is certified as mentioned in paragraph (a);
- (d) any mortgage taken out by any body of persons, corporate or unincorporate, which is certified as mentioned in paragraph (a).

### **Relief in case of conveyance between associated bodies corporate**

**28.** (1) Stamp duty under Head 4 or Head 8 in Schedule 1 shall not be chargeable on instruments to which this section applies.

(2) Subject to subsections (4), (5) and (6), this section applies to any instrument the effect of which is shown to the satisfaction of the Collector to be the conveyance or transfer of a beneficial interest in immovable property in the Islands, or in any stock, from one associated body corporate to another and that one of those bodies is the beneficial owner of not less than 90 *per centum* of the issued share capital of the other or else that a third such body is the beneficial owner of not less than 90 *per centum* of the issued share capital of each of them.

(3) An instrument to which this section applies shall not be duly stamped unless it is stamped with the stamp duty with which but for this section it would be chargeable or it has, in accordance with section 12(2) been stamped with a particular stamp denoting that it is not chargeable to any stamp duty.

(4) This section shall not apply to any instrument unless it is also shown to the satisfaction of the Collector that the instrument was not executed in pursuance of or in connection with an arrangement under which—

- (a) the consideration or any part of it for the conveyance or transfer was to be provided or received, directly or indirectly, by a person other than a body corporate which, at the time of execution of the instrument, was associated (within the meaning of subsection (2)) with either the transferor or transferee;
- (b) the said interest was previously conveyed, directly or indirectly by such a person; or
- (c) the transferor and transferee were to cease to be associated (within the meaning of subsection (2)) by reason of change in the percentage of the issued share capital of the transferee in the beneficial ownership of the transferor or a third body corporate.

(5) Without prejudice to the generality of subsection (4)(a), an arrangement shall be treated as within that paragraph if it is one under which the transferor or the transferee, or a body corporate associated with either as therein mentioned, was to be enabled to provide any of the consideration, or was to part with any of it, by or in consequence of the carrying out of a transaction or transactions involving a payment or other disposition by a person other than a body corporate so associated.

(6) The ownership referred to in subsections (2) and (4) is ownership either directly or through another body or bodies corporate, and Schedule 2 shall apply accordingly for the purposes of interpreting and otherwise in relation to this section.

## PART V

### ALLOWANCE FOR SPOILED OR UNWANTED STAMPS

#### **Allowance for spoiled stamps**

**29.** (1) Subject to subsection (2) and to the production of such evidence, by statutory declaration, as the Collector may require, allowance shall be made by the Collector for any stamp spoiled in any of the following cases—

- (a) where the stamp on any material is inadvertently spoiled, obliterated or by any means rendered unfit for use before the material bears the signature of any person or any instrument is executed by any party;
- (b) where the stamp is used for any instrument executed by any person which—
  - (i) is afterwards found to be absolutely void from the beginning;
  - (ii) is afterwards found to be unfit, by reason of any error or mistake therein, for the purpose originally intended;
  - (iii) has not been made use of for any purpose whatever and by reason of the inability or refusal of some necessary party to sign the instrument or complete the transaction according to the instrument, is incomplete and insufficient for the purpose for which it was intended;
  - (iv) fails of its intended purpose or becomes void for want of enrollment or registration thereof within the time allowed by law;
  - (v) is inadvertently spoiled and in lieu thereof another instrument made between the parties and for the same purpose is executed and duly stamped, or becomes useless in consequence of the transaction intended to be thereby effected being effected by some other instrument duly stamped.

(2) This section does not apply unless—

- (a) the application for allowance is made within two years after the stamp has been spoiled or becomes useless or, in the case of an instrument executed by any person, after the date of the instrument;
- (b) in the case of an executed instrument no legal proceedings, other than proceedings in which the question whether the instrument is

void falls to be determined, have been commenced in which the instrument could or would have been admitted in evidence, and, if the Collector requires, the instrument is given up to be cancelled by him.

### **Allowance for misused stamps**

**30.** Where any person has inadvertently used for any instrument chargeable with stamp duty a stamp of greater value than was necessary or has inadvertently used a stamp for an instrument not chargeable with stamp duty, the Collector may, on application made within two years after the date of the instrument or, if it is not dated, within two years after execution thereof by the person by whom it was first executed and upon the instrument, if chargeable with stamp duty, being stamped, cancel and allow as spoiled the stamp so misused.

### **Manner of making allowance**

**31.** In any case where allowance is made under this Part, the Collector may give in lieu of spoiled or misused stamps money to the value of such stamps or other stamps of the same denomination or value.

## **PART VI**

### **MISCELLANEOUS**

### **Remission of stamp duty**

**32.** (1) The Minister responsible for Finance may remit, wholly or in part, the stamp duty payable in respect of any instrument chargeable with stamp duty.

(2) The amount of any stamp duty remitted under this section in respect of any instrument shall for the purposes of this Ordinance be deemed to have been paid in respect of that instrument.

### **Liability for offences by body corporate**

**33.** When at any time a body corporate commits an offence under this Ordinance with the consent or connivance of, or because of neglect by, any individual, that individual commits a like offence if at that time—

- (a) he is a director, manager, secretary or similar officer of the body corporate;
- (b) he is purporting to act as such an officer; or
- (c) the body corporate is managed by its members, of whom he is one.



### **Inspection of books of account etc**

**34.** (1) If it appears to a Magistrate or Justice of the Peace upon the oath of any person that there is reason to believe that there are on any premises any books of account or any instruments whatsoever the contents of which may tend to show that an offence under this Ordinance has been committed, the magistrate or Justice of the Peace may issue a search warrant authorizing any person named in the warrant to enter such premises and search the same and any person found thereon and to inspect, and to make and take away copies of, any books of account or instruments found on such premises or on such person; and any person so authorized shall, as respects any such books kept by recording matter otherwise than in legible form, be deemed to be authorized in addition to require inspection of and to take away a reproduction of the recording or of the relevant part of it in legible form.

(2) Any copies so made shall be admissible in evidence in any proceedings under this Ordinance.

(3) No person shall obstruct any such inspection or the making or taking away of any copy or reproduction, in any manner whatsoever.

(4) Every person in whose possession or under whose control there may be any books of account or other documents whatsoever which the Collector, or any person authorized by him thereto in writing, may wish to inspect for the purposes of this Ordinance shall afford to the Collector or such person all reasonable facilities for such inspection and for making and taking away copies of such books of account and documents.

(5) Where any books of account referred to in subsection (4) are kept by recording matter otherwise than in legible form, the duty imposed by that subsection shall be treated as extending to allow inspection of, and the taking away of, a reproduction of the recording or of the relevant part of it in legible form.

(6) Any person who contravenes subsection (3) or fails to comply with subsection (4) commits an offence.

### **Falsification**

**35.** Any person who for the purpose of evading payment of any stamp duty or penalty payable under this Ordinance falsifies, mutilates or destroys any book of account or any instrument whatsoever commits an offence.

### **Offences relating to stamps**

**36.** Any person who—

- (a) fraudulently prints or impresses upon or affixes to any instrument any stamp;
- (b) knowingly sells or offers or exposes for sale or utters or uses any stamp which has been fraudulently printed or impressed;
- (c) fraudulently mutilates any stamp with intent that any use be made of any part of such stamp;

- (d) fraudulently cuts, tears or in any way removes from any instrument any stamp, with intent that use be made of such stamp or any part thereof;
- (e) fraudulently fixes or places on any instrument or any stamp, a stamp or part of a stamp which whether fraudulently or not has been cut, torn or in any way removed from any instrument or out of or from any other stamp;
- (f) fraudulently adds to, erases or otherwise removes from any stamped instrument any name, sum, date or other matter or thing whatsoever written therein with the intent that any use be made of the stamp upon such instrument;
- (g) wilfully removes or attempts to remove from any adhesive stamp any cancelling marks thereon;
- (h) knowingly sells, or offers or exposes for sale or utters or uses any adhesive stamp from which cancelling marks have been wholly or partially removed;
- (i) fraudulently removes or causes to be removed from any instrument any adhesive stamp, with intent that such adhesive stamp may be used again;
- (j) fraudulently affixes to any instrument any adhesive stamp so removed, or knowingly sells or offers or exposes for sale or utters any adhesive stamp so removed, or utters any instrument having thereon an adhesive stamp which to his knowledge has been so removed; or
- (k) knowingly and without lawful excuse, has in his possession any stamp which has been fraudulently printed or impressed upon or affixed to any instrument, or any stamp which has been fraudulently mutilated, or any stamp or part which has been fraudulently cut, torn or in any way removed from any instrument, or any stamped instrument to or from which any name, date or other matter or thing has been fraudulently added, erased or otherwise removed, or any adhesive stamp from which cancelling marks have been wholly or partially removed or which has been fraudulently removed from any instrument,

commits an offence.

### **Punishment for offences**

**37.** Any person who commits or attempts to commit an offence under this Ordinance is liable on summary conviction to—

- (a) a fine equal to the amount of any stamp duty outstanding and a further amount not exceeding \$5,000; or
- (b) a term of imprisonment not exceeding 12 months.  
(*Substituted by Ord. 33 of 1994*)

### **Responsibility for loss of or damage to instrument**

**38.** The Government shall not be liable for the loss of or damage to any instrument tendered for stamping whilst in the custody of the Collector nor shall any officer in the office of the Collector be liable for such loss or damage unless he has personally caused it wilfully, fraudulently or by gross negligence.

### **Regulations**

**39.** The Governor may make Regulations—

- (a) prescribing anything which under the provisions of this Ordinance is to be or may be prescribed;
  - (b) specifying the functions of the Collector;
  - (c) amending Schedule 1 by altering or modifying the rates of stamp duty applicable to any Head of charge; and
  - (d) generally, for the better carrying into effect of the provisions of this Ordinance.
-

**SCHEDULE 1****HEADS OF STAMP DUTY**

Nature of Instrument	(A) Stamp Duty
	(B) Time for stamping
	(C) Persons liable

**HEAD 1: AGREEMENT**

- (1) Agreement for Lease: see LEASE and section 15.
  - (2) Agreement or contract for sale of equitable interest in immovable property in the Turks and Caicos Islands: see CONVEYANCE ON SALE and section 22.
  - (3) Agreement for or relating to the supply on hire of any motor vehicle, other than an agreement whereby in consideration of periodic payments, the vehicle will or may become the property of the person to whom supplied—
    - (A)
      - (a) 10% of the total rental value
      - (b) 10% of the total rental value  
(Amended by L.N. 38/2001 and L.N. 10/2005)
    - (B) 21 days after execution  
(Amended by L.N. 21/2005)
    - (C) All parties and all others executing
- (a) vehicle other than a motor cycle or scooter;
  - (b) motorcycle or scooter.

## HEAD 2: BEARER INSTRUMENT

- |  |   |
|--|---|
| (1) Bearer instrument issued in the Turks and Caicos Islands or issued elsewhere by or on behalf of a body corporate registered or continued at the date of issue in the Islands or by an unincorporated body of persons established in the Islands, in respect of any stock other than— | (A) \$100 per instrument  |
|  | (B) Before issue  |
|  | (C) The person by whom or on whose behalf the instrument is issued and any agent of that person for the purposes of the issue |
| (a) loan capital; or   |   |
| (b) units in a unit trust scheme under the terms of which the funds of the trust cannot be invested otherwise than in loan capital.  |   |

### *Exemption*

Bearer instrument issued by any body corporate which at the date of issue is or is treated as an exempted company registered under Part VII or a foreign company registered under Part X of the Companies Act and see sections 2 and 5(3).

- |   |   |
|---|---|
| (2) Bearer instrument given in substitution for a like instrument duly stamped under sub-head (1) | (A) \$10  |
|   | (B) Before issue  |
|   | (C) The person by whom or on whose behalf the instrument is issued and any agent of that person for the purposes of the issue |

## HEAD 3: CHEQUE

- |                               |
|-------------------------------|
| (A) \$0.20 per cheque         |
| (B) Before issue              |
| (C) The drawer and the drawee |

**HEAD 4: CONVEYANCE ON SALE**

Conveyance on sale of immovable property—

- (a) in the Turks and Caicos Islands, where the amount or value of the consideration does not exceed \$25,000 and the instrument is certified in accordance with section 24;
- (b) in Grand Turk, South Caicos, Middle Caicos, North Caicos and Salt Cay—

where the amount or value of the consideration exceeds \$25,000 and the instrument is certified in accordance with section 24;

*(Amended by L. N. 21/2005)*

- (c) elsewhere in the Turks and Caicos Islands than specified in paragraph (b)—

- (i) where the amount or value of the consideration exceeds \$25,000 but does not exceed \$75,000 and the instrument is certified in accordance with section 24;

- (ii) where the amount or value of the consideration exceeds \$75,000.

- (b) (i) \$5 for every \$100 or part thereof of the amount or value of the consideration

*(Amended by L.N. 21/2005)*

- (c) (i) \$6.50 for every \$100 or part thereof of the amount or value of the consideration

*(Amended by L.N. 14/2002)*

- (c) (ii) \$9.75 for every \$100 or part thereof of the amount or value of the consideration

*(Amended by L.N. 14/2002 and L.N. 38/2003)*

- (B) 30 days after execution
- (C) All parties and all other persons executing

*Exemption*

A conveyance of any property by way of gift to or in trust for the spouse, parent or child of the person conveying or, where the Permanent Secretary, Finance, certifies that he is satisfied that the conveyance is not made for valuable consideration, to that person's brother, sister, grandparent or grandchild.

**HEAD 5: CONVEYANCE NOT ON SALE**

Conveyance of immovable property in the Turks and Caicos Islands otherwise than on sale and which does not operate either by way of voluntary disposition *inter vivos* or by way of mortgage and does not fall within any exemption.

- (A) \$10
- (B) 30 days after execution
- (C) All parties and all other persons executing

**HEAD 6: LEASE**

Lease of any immovable property in the Turks and Caicos Islands—

- (A) (a) The same duty as on a conveyance on sale for the same consideration

- (a) where the consideration or any part thereof consists of any premium by way of money, stock or any security
  - (B) 30 days after execution
  - (C) All parties and all other persons executing

- (b) where the consideration or any part thereof is rent

- (i) Where the term is not defined or is uncertain
    - (A) (b)(i) \$50 where the annual or average annual rent exceeds \$2,000 but does not exceed \$5,000 and \$1 per \$100 or part thereof where it exceeds \$5,000

- |   |  |
|---|--|
| (ii) Where the term specified in the lease does not exceed seven years                                | (ii) \$50 where the annual or average annual rent exceeds \$2,000 but does not exceed \$5,000 and \$1 per \$100 or part thereof where it exceeds \$5,000   |
| (iii) where the term specified in the lease exceeds seven years but does not exceed thirty-five years | (iii) \$2 where the annual or average annual rent does not exceed \$100, \$10 where it exceeds \$100 but does not exceed \$500, \$40 where it exceeds \$500 but does not exceed \$ 2,000, \$100 where it exceeds \$2,000 but does not exceed \$5,000, and \$2 per \$100 or part thereof where it exceeds \$5,000 |
| (iv) where the term specified in the lease exceeds thirty-five years                                  | (iv) \$8 where the annual or average annual rent does not exceed \$100, \$40 where it exceeds \$100 but does not exceed \$500, \$160 where it exceeds \$500 but does not exceed \$2,000, \$400 where it exceeds \$2,000 but does not exceed \$5,000 and \$8 per \$100 or part thereof where it exceeds \$5,000   |
- (B) 30 days after execution
- (C) All parties and all other persons executing

*Note:* 1. If the lease is for a term certain of less than a year the aggregate rent payable shall be taken to be the annual rent.



2. Annual average rent is to be calculated as the average rent payable in any one year under the terms of a lease by which a variable rent is to be charged during the years comprised in the term and, in the case of a lease for an indefinite term, means the average rent payable in any one year during the first fifteen years of the term.

And see section 15

- (c) Lease executed in pursuance of a duly stamped agreement for a lease
- |     |   |
|-----|---|
| (A) | \$10  |
| (B) | 30 days after execution                     |
| (C) | All parties and all other persons executing |

*Exemption*

A lease of any property by way of gift to or in trust for the spouse, parent or child of the lessor or, where the Permanent Secretary, Finance certifies that he is satisfied that the lease is not made for valuable consideration, to the lessor's brother, sister, grandparent or grandchild.

- (d) where the lease is a lease of Crown Land for commercial purposes for a defined term of more than seven years and for an annual or average rental that does not exceed \$2,000.
- |     |                         |
|-----|-------------------------|
| (A) | \$50                    |
| (B) | 30 days after execution |
| (C) | the lessee              |

**HEAD 7: MORTGAGE,  
DEBENTURE, BOND OR  
COVENANT**

- (1) Any security by way of mortgage, debenture, bill of sale, bond, covenant or otherwise for the payment of any certain sum of money, whether by instalments or otherwise and whether or not such payment is made in discharge of a legal obligation—
- |  |   |
|--|---|
| (a) where the security is the only or principal or primary security;   | (A) (1)(a) \$1 for each \$100 or part thereof on such sum but the total duty not to exceed \$50,000 |
| (b) Where the security is collateral or auxiliary or additional or a substituted security or by way of further assurance and where the principal security is duly stamped; | (b) \$10  |
| (c) Where security is given by way of bond to the Customs Department under the Customs Ordinance.  | (c) \$50  |
- (2) Any security for the repayment of money lent or to be lent, advanced or paid or which may become due upon a current account, either with or without money previously due—
- |  |  |
|--|--|
| (a) where the total amount secured or to be ultimately recoverable is in any way limited;  | (A) (2)(a) \$1 for each \$100 or part thereof of the amount so limited |
| (b) where such amount is uncertain at the date of execution but a maximum which might become payable can be calculated in advance; | (b) \$1 for each \$100 or part thereof of the maximum so calculated    |

- |   |  |
|---|--|
| (c) where such amount is uncertain as aforesaid but a minimum, though not a maximum, which might become payable can be calculated in advance;             | (c) \$1 for each \$100, or part thereof of the minimum so calculated   |
| (d) where such amount is uncertain and neither a maximum nor a minimum can be calculated as aforesaid but a sum can be calculated which might be payable; | (d) \$1 for each \$100 or part thereof of the sum so calculated<br><br>The total duty under (a), (b), (c) and (d) not to exceed \$50,000 |
| (e) in any other case.  | (e) \$10   |

(B) 30 days after execution

(C) All parties and all other persons executing

*Note*

Where the total amount is unlimited, the security is to be available for such an amount only as the stamp duty impressed thereon extends to cover, and where any advance or loan is made in excess of that amount, the security shall for the purposes of this Ordinance be deemed to be a new and separate instrument executed on the day on which that advance or loan was made.

*Exemption*

Security given by an exempted company or exempted limited partnership over any property other than immovable property situated in the Turks and Caicos Islands.

**HEAD 8: TRANSFER OF STOCK**

- |   |   |
|---|---|
| (1) Transfer on sale or purchase of any stock other than units in a unit trust scheme | (A) \$0.20 for every \$100 or part thereof of the amount of the consideration or its value at the date of transfer, but see Note to this sub-head |
|---|---|

*Note:*

Where the consideration consists in whole or in part of any security not being stock, the amount due upon such security for principal and interest on the date of transfer shall be taken to be its value at such date.

- |   |
|---|
| (B) 30 days after execution of instrument of transfer |
| (C) The transferor and the transferee                 |

*Exemptions*

1. If the amount or value of the consideration does not exceed \$500.
2. Transfer of stock of a company registered or continued as an exempted company or treated as such under Part VII or of a foreign company under Part X of the Companies Ordinance.
3. Transfers to an exempted company.
4. Transfers between associated bodies corporate as defined in section 28.
5. Transfer of stock of a landholding corporation as defined in the Land Holding Companies (Share Transfer Duty) Ordinance in a case where that corporation is liable to pay duty thereunder.

- |   |  |
|---|--|
| (2) Transfer operating as a voluntary disposition <i>inter vivos</i> of any stock, other than units in a unit trust scheme, or made for the purpose of effectuating a transaction whereby the beneficial interest in stock passes otherwise than on purchase and sale, including a foreclosure order. | (A) \$0.40 for every \$100 or part thereof of the value of the stock |
|   | (B) 30 days after execution  |
|   | (C) The transferor and the transferee                                |
| (3) Transfer of any other kind whatever.  |  |
|   | (A) \$10   |
|   | (B) 30 days after execution  |
|   | (C) The transferor and the transferee                                |
-

**SCHEDULE 2****PROVISIONS FOR DETERMINING AMOUNT OF  
SHARE CAPITAL HELD THROUGH OTHER BODIES CORPORATE**

1. Where, in the case of a number of bodies corporate, the first directly owns share capital of the second, and the second directly owns share capital of the third, then for the purposes of this Schedule the first shall be deemed to own share capital of the third through the second and, if the third directly owns share capital of a fourth, the first shall be deemed to own share capital of the fourth through the second and third, and the second shall be deemed to own share capital of the fourth through the third, and so on.

2. In this Schedule—

- (a) any number of bodies corporate of which the first directly owns share capital of the next, and the next directly owns share capital of the next but one, and so on, and, if they are more than 3, any 3 or more of them, are referred to as “a series”;
- (b) in any series—
  - (i) that body corporate which owns share capital of another through the remainder is referred to as “the first owner”;
  - (ii) that other body corporate the share capital of which is so owned is referred to as “the last owned body corporate”;
  - (iii) the remainder, if one only, is referred to as an “intermediary” and if more than one, are referred to as “a chain of intermediaries”;
- (c) a body corporate in a series which directly owns share capital of another body corporate is referred to as “the owner”;
- (d) any two bodies corporate in a series of which one owns share capital of the other directly and not through one or more of the other bodies corporate in the series, are referred to as being directly related to one another.

3. Where every owner in a series owns the whole of the share capital of the body corporate to which it is directly related, the first owner shall be deemed to own through the intermediary or chain of intermediaries the whole of the share capital of the last owned body corporate.

4. Where one of the owners in a series owns a fraction of the share capital of the body corporate to which it is directly related, and every other owner in the series owns the whole of the share capital of the body corporate to which it is directly related, the first owner shall be deemed to own that fraction of the share capital of the last owned body corporate through the intermediary or chain of intermediaries.

5. Where—

- (a) each of 2 or more of the owners in a series owns a fraction and every other owner in the series owns the whole, of the share capital of the body corporate to which it is directly related; or
- (b) every owner in a series owns a fraction of the share capital of the body corporate to which it is directly related,

the first owner shall be deemed to own through the intermediary or intermediaries such fraction of the share capital of the last owned body corporate as results from the multiplication of those fractions.

6. Where the first owner in any series owns a fraction of the share capital of the last owned body corporate in that series through the intermediary or chain of intermediaries in that series and also another fraction or other fractions of the share capital of the last owned body corporate either—

- (a) directly; or
- (b) through an intermediary which is not or intermediaries which are not a member or members of that series; or
- (c) through a chain of intermediaries of which one or some or all are not members of that series; or
- (d) in a case where the series consists of more than 3 bodies corporate, through an intermediary or intermediaries which is a member or are members of the series, or through a chain or chains of intermediaries consisting of some but not all of the bodies corporate of which the chain of intermediaries consists,

then for the purpose of ascertaining the amount of share capital of the last owned body corporate owned by the first owner, all these fractions shall be aggregated and the first owner shall be deemed to own the sum of those fractions.





**STAMP DUTY (COMPOUNDING OF OFFENCES) REGULATIONS**

– SECTION 39

*(Legal Notice 24/1995)*

**Commencement**

*[12 May 1995]*

**Short title**

1. These Regulations may be cited as the Stamp Duty (Compounding of Offences) Regulations.

**Procedure for compounding offences under Ordinance**

2. (1) If a person has, in the opinion of the Collector, committed an offence under section 10(2)(a) or (b) of the Stamp Duty Ordinance, the Collector may, after such enquiry as he deems necessary and without legal proceedings, make an offer to the person in writing to compound the offence for the payment of such monetary penalty, not exceeding \$5,000, as the Permanent Secretary, Finance, thinks fit.

(2) If the person concerned accepts the offer within seven days or such longer period as the Collector may have specified in his offer, that person, the Permanent Secretary, Finance, (or the Collector on behalf of the Permanent Secretary) and the Attorney General (if he concurs) shall complete the form set out in the Schedule.

**SCHEDULE**

*(Regulation 2(2))*

**AGREEMENT TO COMPOUND OFFENCE UNDER  
SECTION 10(2) OF THE STAMP DUTY ORDINANCE**

To be completed in duplicate:

*(Paragraph 1 only to be filled by person agreeing to  
compound the offence with the Permanent Secretary, Finance)*

1. I/We ..... agree to pay the sum of .....  
in consideration for the Permanent Secretary, Finance, compounding  
the offence found to have been committed under section 10(2) of the  
Stamp Duty Ordinance. I/We so agree on the understanding that  
payment of this sum shall not be regarded as a conviction for the  
offence, and that no prosecution for the offence shall hereafter be  
competent.

\*Signature: ..... Date: .....

*\*If you are signing on behalf of a body incorporate or partnership  
state in what capacity (director, partner, secretary, attorney, etc) you  
are signing.*

2. Description of offence found by Collector to have been committed:  
.....  
.....  
.....  
.....  
.....  
.....

3. Details of payment.

Amount: .....

Receipt No: .....

..... Date: .....  
for Permanent Secretary, Finance

..... Date: .....  
for Attorney General

