

STAMP DUTIES REGULATIONS 2009

BR 20/2009

STAMP DUTIES ACT 1976

1976 : 14

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The Minister of Finance, in exercise of the powers conferred by section 77(1)(b) of the Stamp Duties Act 1976, makes the following Regulations:

Short title

1 These Regulations may be cited as the Stamp Duties Regulations 2009.

Head 14 amended

2 Head 14 of the Schedule to the Stamp Duties Act 1976 is amended—

- (a) by adding an “s” to the word “Exemption” where it first appears and inserting the letter “(a)” immediately after that word;
- (b) by deleting the letters “(a)” and “(b)” and substituting “(i)” and “(ii)”; and
- (c) by inserting immediately before Head 15 the following —
 - “(b) Conveyance to a first time homeowner described in condition (B) of this paragraph, for consideration of \$750,000 or less, of the entire freehold or leasehold interest in—
 - (i) a residential property consisting of a house or a condominium, other than a fractionally owned unit, traditional hotel room or condominium hotel unit that does not have a separate land

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valuation assessment number assigned to it under the Land Valuation and Tax Act 1967; or

- (ii) a parcel of land on which a residential property referred to in subparagraph (i) is to be built;

provided that all of the following conditions are met—

(A) the Conveyance takes place on or after April 1, 2009;

(B) the purchasers are all individuals with Bermudian status who have never held a legal or beneficial interest in any residential property or land in Bermuda (other than the interest being acquired by the Conveyance) greater than 25% of its market value;

(C) the purchasers will—

(aa) live in the residential property being conveyed for a period of three years or more, or

(bb) complete construction on the parcel of land being conveyed of a residential property described in paragraph (b)(i) within three years after the Conveyance,

as the case may be;

(D) the consideration for the Conveyance of the property is equal to the property's fair market value and is entirely in the form of money, money advanced by way of mortgage on the property, or both;

(E) the Tax Commissioner will be required to express his or her opinion on whether the Conveyance is chargeable with stamp duty and if so, the amount of the duty under section 22 of the Act; and

(F) all facts and circumstances affecting the duty are set forth in the Conveyance, including a declaration signed by the purchasers and the vendors of the property as follows—

DECLARATIONS UNDER STAMP DUTIES ACT 1976

I/We _____ and _____ [name of purchaser(s)]; and

I/We _____ and _____ [name of vendor(s)] declare—

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1. That conditions (A), (D), (E) and (F) in paragraph (b) of Head 14 of the Schedule to the Stamp Duties Act 1976 are met in respect of this Conveyance, and
I/We, the purchaser(s) declare that conditions (B) and (C) are met;
2. That the total consideration for the residential property or parcel of land being conveyed does not exceed \$750,000; and
3. That this Conveyance is not part of a larger transaction, the consideration for which exceeds \$750,000.”.

Commencement

3 These Regulations commence on 1 April, 2009.

Made this 4th day of March, 2009

Minister of Finance