

Act No. 14 of 2003**FAMILY ISLANDS ECONOMIC ENTERPRISE
ZONES****ARRANGEMENT OF SECTIONS**

SECTION

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**An Act to encourage the establishment of economic
enterprise zones in designated family islands by
granting certain exemptions and fiscal incentives to
persons engaging in such enterprises.**

14 of 2003

*[Assent 1st July, 2003]
[Commencement 1st July, 2003]*

1. This Act may be cited as the Family Islands Economic Enterprise Zones Act. Short title

2. In this Act — Interpretation

“capital investment” or “investment” means —

- (a) the construction of buildings for residential or commercial use for which the relevant building permits have been issued;
- (b) the construction of buildings to be used for agriculture, fisheries or farming ventures registered with the Ministry responsible for Agriculture and Fisheries;
- (c) the construction of floating docks and marinas approved by the Port Department,

but does not include any household furniture or any article or thing imported for sale or for the personal use of any person or made available after its importation for the personal use either by sale or gift or otherwise of any person,

whether such person be employed or resident within the zone or not;

“Minister” means the Minister responsible for Finance;

“supplies” means all materials and things of every kind and description including all equipment, building materials, factory plant and apparatus replacement parts, spare parts, machine and hand tools, contractors plant, heavy equipment necessary for carrying on a capital investment under this Act;

“zone” means any Family Island or part thereof and any approved investment project in any Family Island or part thereof specified by the Governor-General by order published in the Gazette.

Exemption from stamp duty and customs duty

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Schedule

3. (1) Notwithstanding anything to the contrary in the Tariff Act, and the Stamp Act any person who is desirous of making a capital investment in any of the zones specified by order may apply to the Minister for an exemption from customs duties or stamp duties in respect of supplies imported in those zones as part of the capital investment.

(2) An application under subsection (1) shall be made in the form prescribed in the Schedule and the applicant shall furnish the Minister with the following information —

- (a) particulars as to the name, nationality, age and marital status of the investor or if a company the date and place of incorporation and the names of the directors, officers and beneficial owners of the company;
- (b) an environmental impact assessment study, where necessary;
- (c) the estimated amount and source of funding;
- (d) the purpose of the investment;
- (e) the manner in, and the period within which the investment would be made;
- (f) particulars as to the nature of the development works to be carried out and the estimated contribution which it is expected to make to the economy of that Family Island;

- (g) the estimated minimum amount and utilisation of the capital to be expended annually thereon during the period specified in subsection (3);
- (h) where applicable, copies of the relevant work permits, business licence, the number of persons to be employed, the source of recruitment and the conditions under which workers will be employed, including the nature and extent of the provisions for the housing of workers if necessary;
- (i) the date, on or before which —
 - (i) the construction, expansion or preparation as the case may be, of the development works will commence;
 - (ii) satisfactory evidence that the investment is adequately financed and the arrangements for the management of the zone.

(3) The exemption mentioned in subsection (1) may be granted for a period not exceeding three years from the date of the commencement of this Act and ending on the 1st day of July 2006.⁴

(4) Notwithstanding subsection (3), the Minister may by order extend the period specified in subsection (3) for such further period not exceeding one year as appears necessary for the economic development of The Bahamas.

4. Every person knowingly making a false declaration for the purpose of obtaining a benefit pursuant to the provisions of this Act commits an offence and is liable on summary conviction to a fine equal to twice the amount of an exemption granted or ten thousand dollars whichever is greater or to imprisonment for one year.

Penalty for false declaration

5. (1) No person who has obtained an exemption under this Act shall ship any supplies exempted under this Act to any Family Island not specified in any order made by the Governor-General.

Shipment of supplies

(2) Every person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine of ten thousand dollars or to a penalty not exceeding twice the value of the goods in respect of which the offence was committed and such supplies may be seized and proceeded against in the same manner as goods liable to forfeiture under the Customs Management Act.

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⁴ By S I 35/2006 this period was extended to 30th June, 2007

Termination of duty.

6. (1) At the end of an exemption period granted under section 3, any supplies in the possession of a seller of supplies that have been imported duty free shall become subject to duty.

(2) Every seller of supplies who contravenes the provisions of this section by continuing to supply exempted goods after such period commits an offence and is liable on summary conviction to a fine of five thousand dollars, or to imprisonment for one year, or to both such fine and imprisonment.

Penalty for wrongful application of supplies.

7. Any person applying any supplies obtained pursuant to the provisions of this Act for a purpose other than for the purpose specified in this Act commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for one year, or to both such fine and imprisonment.

Regulations.

8. The Minister may make regulations for carrying out the purposes of this Act.

SCHEDULE

(section 3(2))

Application for Exemption from Customs Duties/Stamp Duties Under The Family Islands Economic Enterprise Zones Act

1. Name of Applicant: _____
 Address/Registered Office: _____
 Street: _____
 P.O. Box: _____
 Telephone: _____
 Facsimile: _____
 E-mail: _____
2. Description/Nature of Development: _____
3. Purpose of Investment: _____

Signature of Applicant _____

Verification _____

Administrator

Entry No. _____ Date _____

Approved _____

(for) Comptroller of Customs