

HOTELS (AMENDMENT) ACT, 2022

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No. 33 of 2022

HOTELS (AMENDMENT) ACT, 2022

AN ACT TO AMEND THE HOTELS ACT

[Date of Assent – 30th June, 2022]

Enacted by the Parliament of The Bahamas

1. Short title and commencement.

- (1) This Act, which amends the Hotels Act (*Ch. 288*), may be cited as the Hotels (Amendment) Act, 2022.
- (2) This Act shall come into force on the 1st day of July, 2022.

2. Insertion of a new section 15A into the principal Act.

The principal Act is amended by the insertion immediately after section 15 of the following new section —

“15A. Condo-hotel tax.

- (1) Notwithstanding any provision to the contrary in the Hotels Encouragement Act (*Ch. 285*), or in any agreement thereunder, the administrator of every condo-hotel or hotel rental pool shall, commencing the 31st January, 2023, by the 31st January of each year pay to the Chief Valuation Officer a tax to be called a condo-hotel tax.
- (2) The condo-hotel tax is chargeable at seventy-five per centum of the rate of tax applicable to residential property under the Real Property Tax Act (*Ch. 375*) on the value of each property that forms a part of the condo-hotel or hotel rental pool.
- (3) Subsections (1) and (2) shall not apply to a property that forms a part of a condo-hotel or hotel rental pool where the administrator files with the Chief Valuation Officer by the 31st day of January, a return showing that the net value added tax paid to the Comptroller in the prior year in respect of that property exceeds the amount of the condo-hotel tax.

- (4) The return under subsection (3) shall be in the form and manner determined by the Chief Valuation Officer.
- (5) Where property forms a part of a condo-hotel or a hotel rental pool, the owner of the property is jointly and severally liable with the administrator for the payment of the condo-hotel tax.
- (6) Payment of the condo-hotel tax shall be a condition for the renewal of the licence under this Act of a hotel to which this section applies.
- (7) Where any condo-hotel tax due under this Act has remained unpaid for a period of thirty days after becoming so due, the provisions of sections 23 to 25E of the Real Property Tax (*Ch. 375*) shall apply as if the condo-hotel tax was a tax under the Real Property Tax Act (*Ch. 375*).

(8) In this section —

“administrator” means the operator or other person responsible for the administration of a condo-hotel or other residential accommodations that form part of a hotel rental pool;

“Chief Valuation Officer” has the meaning ascribed to it in the Real Property Tax Act (*Ch. 375*);

“Comptroller” has the meaning ascribed to it in the Value Added Tax Act, 2014 (*No. 32 cf 2014*);

“hotel rental pool” means any collective rental arrangement by which properties not owned by a hotel form a part of a hotel's bedroom inventory;

“net value added tax” means the value added tax payable by a registrant in accordance with section 46 of the Value Added Tax Act, 2014 (*No. 32 cf 2014*) and where the administrator is the registrant, the net value added tax in respect of the administration of each property for which the administrator is responsible shall be determined in accordance with directions from the Comptroller.

“Tax Appeal Commission” means the Tax Appeal Commission established under section 3 of the Tax Appeal Commission Act, 2020 (*No. 3 cf 2020*);

“value” means —

- (a) the value of property as assessed by the Chief Valuation Officer under the Real Property Tax Act (*Ch. 375*) at the time that the condo-hotel tax is due;
- (b) where the value has been successfully disputed by the owner in accordance with the provisions of the Real Property Act (*Ch. 375*), the value as varied by the Tax Appeal Commission or the Court or reassessed by the Chief Valuation Officer in accordance with directions by the Tax Appeal Commission or the Court.”.