

PUBLIC FINANCE MANAGEMENT (AMENDMENT) ACT, 2022

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No. 28 of 2022

PUBLIC FINANCE MANAGEMENT (AMENDMENT) ACT, 2022

**AN ACT TO AMEND THE PUBLIC FINANCE MANAGEMENT ACT,
2021**

[Date of Assent – 30th June, 2022]

Enacted by the Parliament of The Bahamas

1. Short title and commencement.

- (1) This Act, which amends the Public Finance Management Act, 2021 (*No. 8 of 2021*), may be cited as the Public Finance Management (Amendment) Act, 2022.
- (2) This Act shall come into force on the 1st day of July, 2022.

2. Amendment of section 2 of the principal Act.

Subsection (1) of section 2 of the principal Act is amended by the deletion of the words “tax legislation” and the accompanying definition.

3. Amendment of section 34 of the principal Act.

Section 34 of the principal Act is amended by the insertion immediately after subsection (4), of the following new subsection (4A) —

- “(4A) Revenues derived from real property tax collected under the Real Property Tax Act (*Ch. 375*) in respect of property located on a Family Island all taxes and fees collected on a Family Island under the Road Traffic Act (*Ch. 226*), shall be utilized to defray expenses and fund expenditures of that Family Island as follows —
- (a) for the financial year commencing July 1, 2022, not less than ten percent;
 - (b) for the financial year commencing July 1, 2023, not less than seventeen percent; and
 - (c) for the financial year commencing July 1, 2024 and for subsequent financial years, not less than twenty-five percent.”.

4. Amendment of section 105 of the principal Act.

Subsection (3) of section 105 of the principal Act is amended by the deletion of the word “*Twelveth*” and the substitution of the word “*Twelfth*”.

5. Amendment of section 106 of the principal Act.

Subsection (3) of section 106 of the principal Act is repealed and replaced as follows —

- “(3) A Tax Compliance Certificate issued in accordance with this Act shall be valid for —
- (a) one month, where the applicant has accrued arrears under any tax legislation but can provide evidence to the Financial Secretary of a plan to satisfy the arrears;
 - (b) six months, where the Financial Secretary is satisfied that the applicant has satisfied its tax obligations under the enactments in the *Twelfth Schedule* for not less than three consecutive months immediately preceding the application;
 - (c) three months, in every other case.”.

6. Insertion of new section 110A into the principal Act.

The principal Act is amended by the insertion immediately following section 110 of the following new section —

“110A. Collection of arrears of taxes.

- (1) Where any revenue due and payable to the Government has not been paid for one year or more, the Ministry or revenue and taxing agency to which the arrears of revenue is payable shall advise the Department of Inland Revenue and shall transfer all relevant information in respect of the arrears to the Department of Inland Revenue which shall be responsible for the collection of the arrears.
- (2) All taxes and fees collected by the Department of Inland Revenue for debt in excess of one year, shall be deposited into the sinking fund.”.