

JAMAICA

No 31 – 2010

I assent,

[L.S.]

(Sgd) P. L. Allen

*Governor-General.*

30<sup>th</sup> December 2010

AN ACT to Amend the Urban Renewal (Tax Relief) Act.

[31<sup>st</sup> December 2010]

BE IT ENACTED by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Representatives of Jamaica, and by the authority of the same, as follows:—

1. This Act may be cited as the Urban Renewal (Tax Relief) (Amendment) Act, 2010 and shall be read and construed as one with the Urban Renewal (Tax Relief) Act (hereinafter referred to as the principal Act) and all amendments thereto.

Short title  
and  
construction.

2. Section 2 of the principal Act is amended by inserting next after the definition of "capital expenditure" the following—

Amendment  
of section 2  
of principal  
Act.

"Commissioner" means the Commissioner of Taxpayer Audit and Assessment.

Amendment  
of section 13  
of principal  
Act.

3. Section 13(1) of the principal Act is amended by deleting the word “twenty-five” and substituting therefor the words “thirty-three and one-third”.

Insertion of  
new sections  
14A and 14B  
in principal  
Act.

4. The principal Act is amended by inserting next after section 14 the following as sections 14A and 14B—

“Relief re  
rental  
expense.

14A.—(1) The lessee of improved property owned by an approved developer shall be entitled to claim as a deduction from gross income in arriving at the statutory income of the lessee for any year of assessment, an amount equivalent to two hundred per cent of the rent paid by the lessee in respect of the property.

(2) The provisions of subsection (1) shall not apply—

- (a) where the lessee of the property is a connected person to the approved developer; or
- (b) in relation to so much of the rent paid by the lessee as appears to the Commissioner to be higher than a reasonable commercial rate on the date on which payment is due.

(3) In subsection (2) “connected person” shall be construed in accordance with section 2 of the *Income Tax Act*.

Exclusion of  
relief granted  
under other  
enactment.

14B.—(1) Subject to subsection (2), no relief shall be allowed under this Act in respect of the portion of a person’s statutory income for any year of assessment in relation to which relief from income tax is given by virtue of any other enactment.

(2) Subsection (1) does not apply in respect of the income of—

- (a) an insurance company that is taxed in accordance with section 48(4) of the *Income Tax Act*;

- (b) a building society that is taxed in accordance with section 30(2) of the *Income Tax Act*;
- (c) an approved enterprise that is entitled to relief in accordance with section 11 or 12 of the *Industrial Incentives Act*;
- (d) a company that is entitled to relief in accordance with section 12 of the *Industrial Incentives (Factory Construction) Act*;
- (e) a company that is entitled to relief in accordance with section 9 of the *Hotels (Incentives) Act*; or
- (f) a company that is entitled to relief in accordance with section 7 of the *Resort Cottages (Incentives) Act*.

(3) In this section “relief” means a statutory benefit whereby the whole or any portion of the statutory income of a body corporate is relieved of tax or is taxed at a lower rate than specified in section 30(1)(b) of the *Income Tax Act*”.

5. The principal Act is amended by inserting next after section 17 the following as section 17A—

“ Exemption from transfer tax and stamp duty on acquisition of land

17A.—(1) Subject to subsection (3), during the incentive period, no transfer tax and stamp duty shall be payable on the transfer of any land in a special development area, where the condition specified in subsection (2) is satisfied.

(2) The condition is, that the parties to the agreement for the transfer of the land have demonstrated to the Commissioner that the purpose of the transfer is to facilitate the carrying out of improvement works on the land, before the expiration of a period of three years after the date of transfer, or such longer period as the Minister may, by order, specify.

Insertion of new section 17A in principal Act.

(3) Where the improvement works are not carried out before the expiration of the period specified in subsection (2), then the transferee, or such other person who is the registered proprietor of the land at the expiration of the period, shall be liable to pay to the Commissioner an amount equivalent to the transfer tax and stamp duty that, but for subsection (1), would have been payable.

(4) In subsection (1) "land" has the same meaning as in the *Transfer Tax Act*."

Passed in the House of Representatives this 23rd day of November, 2010 with one (1) amendment.

M. DALRYMPLE PHILIBERT,  
*Deputy Speaker.*

Passed in the Senate this 17th day of December, 2010 with seven (7) amendments.

OSWALD G. HARDING, OJ, CD, QC  
*President.*

On the 21st day of December, 2010, the House of Representatives agreed to the amendments made by the Senate.

DELROY H. CHUCK  
*Speaker.*

*This printed impression has been carefully compared by me with the authenticated impression of the foregoing Act, and has been found by me to be a true and correct printed copy of the said Act.*

*Clerk to the Houses of Parliament.*