

M O N T S E R R A T

**CUSTOMS DUTIES AND CONSUMPTION TAX
(AMENDMENT) ACT**

No. 14 of 2012

ARRANGEMENT OF SECTIONS

1	Short title	2
2.	Interpretation	3
3.	Section 2 amended	3
4.	Insertion of sections 6A and 6B	3
5.	Section 14 repealed and replaced	6



Montserrat
Customs Duties and Consumption Tax (Amendment) Act 2012
No. 14 of 2012

I ASSENT

(Sgd.) Adrian Davis
GOVERNOR

DATE: 10.10.12

M O N T S E R R A T

No. 14 of 2012

AN ACT TO AMEND THE CUSTOMS DUTIES AND
CONSUMPTION TAX ACT. (CAP 17.05).

BE IT ENACTED by The Queen's Most Excellent Majesty, by and
with the advice and consent of the Legislative Assembly of
Montserrat, and by the Authority of the same as follows:—

1 Short title

- (1) This Act may be cited as the Customs Duties and
Consumption Tax (Amendment) Act, 2012.
- (2) This Act shall commence on the 1st October, 2012.

Montserrat
Customs Duties and Consumption Tax (Amendment) Act 2012
No. 14 of 2012

2. Interpretation

In this Act—

“**principal Act**” means the Customs Duties and Consumption Tax Act, (Cap. 17.05).

3. Section 2 amended

Section 2 of the principal Act is amended by inserting the following in their proper alphabetical position—

“**Approved Enterprise**” means any enterprise declared to be an Approved Enterprise under section 6 of the Fiscal Incentives Act;

“**entry**” has the same meaning assigned to it in the Customs (Control and Management) Act, (Cap. 17.04);

“**Funding Agency**” means the Department for International Development (DFID), the United Nations Development Programme (UNDP), the Caribbean Development Bank (CDB), the Commonwealth Fund for Technical Corporation (CFTC), Her Majesty’s Government, or any institution, agency or Government which provides funds for the financing of development projects in Montserrat;

“**importer**” has the same meaning assigned to it in the Customs (Control and Management) Act, (Cap 17.04);”.

4. Insertion of sections 6A and 6B

The principal Act is amended by adding the following new sections immediately after section 6—

“**6A. Processing fee**

(1) An importer who is granted an exemption from the payment of customs duties and consumption tax under this Act or any

Montserrat

Customs Duties and Consumption Tax (Amendment) Act 2012

No. 14 of 2012

other enactment shall pay a fee to the Comptroller for the processing of an entry for all goods imported by him into Montserrat which benefit from the exemption.

- (2) The processing fee in subsection (1) is 5% of the CIF value of the imported goods.
- (3) The Governor acting on the advice of Cabinet may by Order vary the processing fee by not more than 3 percentage points.

6B. Exemption from processing fee

- (1) A processing fee is not payable for processing an entry in respect of the following—
 - (a) goods exempted from customs duty and consumption tax under the Second Schedule, imported by and for the use of the following charitable and other organisations—
 - (i) Montserrat Branch British Red Cross Society;
 - (ii) all sporting organisations registered under the laws of Montserrat;
 - (iii) Boy Scout Association;
 - (iv) Girl Guides Association;
 - (v) Boy's Brigade;
 - (vi) University of the West Indies;
 - (vii) Old People's Welfare Association;
 - (viii) Golden Years Foundation; and
 - (ix) Girls Brigade;

Montserrat

Customs Duties and Consumption Tax (Amendment) Act 2012

No. 14 of 2012

- (b) goods imported by an Approved Enterprise for the purpose of manufacture and re-export or assembly and re-export;
- (c) goods imported by a Funding Agency;
- (d) plant and equipment in excess of \$50,000 imported by and for the establishment of an Approved Enterprise;
- (e) goods imported for use on any project being funded by a funding agency;
- (f) fishing equipment imported by a fisherman who is a member of the Montserrat Fishing Cooperative or who is certified as a fisherman by the Ministry of Agriculture;
- (g) a motor vehicle imported every five years by a current member of the Legislative Assembly under section 17(2);
- (h) goods and materials imported by Montserrat National Trust exclusively for the use of the National Trust;
- (i) items for the promotion of the arts and culture, including prizes for distribution during the annual Christmas Festival Season, imported by the Festival Committee, provided the items are verified by the Department of Culture and approved by the Ministry of Finance;
- (j) items for the promotion of sport events, including prizes for distribution during the annual round the island relay, the

Montserrat
Customs Duties and Consumption Tax (Amendment) Act 2012
No. 14 of 2012

volcano half marathon and other such events; and

- (k) goods imported for use by a friendly society or a fraternal organisation approved by the Governor acting on the advice of Cabinet.
- (2) The Governor acting on the advice of Cabinet may by Order exempt any person, organisation, entity or body from payment of a processing fee.”.

5. Section 14 repealed and replaced

Section 14 of the principal Act is repealed and replaced as follows—

“14. Restriction on the transfer of exempt items

- (1) An importer who has been granted an exemption from the payment of customs duties and consumption tax shall not within 5 years of its importation transfer an exempted item, without the authority of the Financial Secretary.
- (2) The Comptroller shall levy Customs Duty and Consumption Tax upon an exempted item which is transferred contrary to subsection (1).
- (3) An importer who violates subsection (1) shall pay Customs Duty and Consumption Tax at the rates applicable—
 - (a) at the date of importation, if the exempted item is transferred within 6 months from the date of importation;
 - (b) at the date of transfer of the exempted item, if the date is more than 6 months and less than 5 years after the date of importation.

Montserrat
Customs Duties and Consumption Tax (Amendment) Act 2012
No. 14 of 2012

- (4) All sums due and payable under this section may be recovered as a debt due to the Crown in civil proceedings.
- (5) In this section “**transfer**” includes—
 - (a) the sale, exchange or giving away of an exempted item; or
 - (b) the conversion of an exempted item to a use other than the use for which it was imported.”.

(Sgd.) Teresina Bodkin
SPEAKER

Passed the Legislative Assembly this 19th day of September, 2012.

(Sgd.) Judith Baker
CLERK OF THE LEGISLATIVE ASSEMBLY