

Bill No. 41 of 1965

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No. 448

Bill No. 41 of 1965

PROPERTY TAX (AMENDMENT) BILL, 1965.

Arrangements of Sections.

Section

1. Short title and commencement.
2. Amendment of section 3 of the Principal Ordinance.
3. Amendment of section 4 of the Principal Ordinance.
4. Amendment of section 6 of the Principal Ordinance.
5. Amendment of section 10 of the Principal Ordinance.
6. Repeal and re-enactment of section 13 of the Principal Ordinance.
7. Repeal of Part V of the Principal Ordinance.
8. Amendment of Part VI of the Principal Ordinance.
9. Consequential amendments.

A BILL

Intituled

An Ordinance to amend the Property Tax and the Gift Tax Ordinance, 1962, to provide for the abolition of the tax and for other purposes.

Enacted by the Legislature of British Guiana:—

A.D. 1965.

1.(1) This Ordinance may be cited as the Property Tax (Amendment) Ordinance, 1965, and shall be construed and read as one with the Property Tax and the Gift Tax Ordinance, 1962, hereinafter referred to as the Principal Ordinance.

Short title and commencement.
No. 19 of 1962.

(2) This Ordinance shall be deemed to have come into operation with respect to and from the year of assessment 1965.

(3) From and after the commencement of this Ordinance, the Principal Ordinance may be cited as the Property Tax Ordinance, 1962, and section 1 of the Principal Ordinance shall have effect accordingly.

2. Section 3 of the Principal Ordinance is hereby amended in the following respects —

Amendment of section 3 of the Principal Ordinance.

- (a) by the deletion therefrom of the definitions of the expressions “donee”, “donor” and “gift”; and
- (b) by the substitution of the following definition for the definition of the expression “year of assessment” — “year of assessment” means the period of twelve months commencing on the 1st January, 1962 and each subsequent period of twelve months;.

3. Subsection (1) of section 4 of the Principal Ordinance is hereby amended by the deletion therefrom of the words “and the Gift Tax”.

Amendment of section 4 of the Principal Ordinance.

4. Section 6 of the Principal Ordinance is hereby amended in the following respects —

Amendment of section 6 of the Principal Ordinance.

- (a) by the substitution of a semicolon for the full stop at the end of the section; and
- (b) by the insertion thereafter of the following paragraph—

“(x) any company granted exemption from income tax on or after the 1st January, 1965 for a tax holiday period under section 2 of the Income Tax (In Aid of Industry) Ordinance, in

respect of its property employed in the business of the company on the income of which such exemption from income tax is granted, during the tax holiday period."

Amendment of section 10 of the Principal Ordinance.

5. Section 10 of the Principal Ordinance is hereby amended in the following respects —

- (a) by the deletion of the word "and" at the end of the proviso to sub-paragraph (iii) of paragraph (a); and
- (b) by the insertion of the following sub-paragraph —

"(iv) investments made in British Guiana from and after the 1st January, 1965, of such nature as may be prescribed; and".

Repeal and re-enactment of section 13 of the Principal Ordinance.

6. Section 13 of the Principal Ordinance is hereby repealed and the following section substituted therefor —

"Set-off against tax on property of shareholder.

13. When the value of the stocks or shares of a company which has paid or is liable to pay the tax has been included in the net property of a share-holder, an amount equal to the product of the value so included and the rate of the tax payable by the company shall be set off against tax payable by the shareholder:

Provided —

- (a) that the rate of tax shall be the rate arrived at by dividing the total value of the net property of the company (including property excluded under the provisions of sub-paragraph (iv) of paragraph (a) of section 10 of this Ordinance) into the tax payable by the company; and
- (b) that the amount to be set off shall in no case be in excess of the amount of the tax payable by the shareholder before the set off."

Repeal of Part V of the Principal Ordinance.

7. Sections 14 to 18 (both sections inclusive) constituting Part V of the Principal Ordinance are hereby repealed.

Amendment of Part VI of the Principal Ordinance.

8. Part VI of the Principal Ordinance is hereby amended in the following respects —

- (a) by renumbering the Part as Part V;
- (b) by renumbering sections 19 and 20 as sections 14 and 15 respectively;
- (c) by the deletion of the words "and the Gift Tax" in subsection (1) of section 14;
- (d) by the repeal of subsection (3) of section 14;
- (e) by renumbering subsection (4) as subsection (3);
- (f) by substituting the words "second" for the word "third" in subsection (3);
- (g) by deleting the words "and the Gift Tax" in subsection (3); and
- (h) by inserting the following subsection as subsection (4)—
 "(4) Notwithstanding anything to the contrary contained in this Ordinance, where any person in any year of assessment, within forty-five days of the date of a notice of assessment served on him by the Commissioner claiming property tax, pays to the Commissioner an amount equivalent to twice the amount claimed in that notice for the purpose of purchasing from the Accountant General such approved government securities as may be prescribed, the Commissioner shall discharge the property tax assessed and that per-

son shall be issued with a receipt acknowledging the amount so paid as full payment of the purchase price of the said securities or as a deposit thereon, and such receipt shall be accepted by the Accountant General as evidence of the full payment of the purchase price of such securities or of a deposit thereon."

9. The Principal Ordinance is hereby amended in the following respects — ^{Consequential amendments.}

- (a) by the deletion of the second schedule thereto and the redesignation of the third schedule as the second schedule;
- (b) by the substitution of a reference to section 14 for the reference to section 19 in the second schedule; and
- (c) by the deletion of the words "and the Gift Tax" in the second schedule.

OBJECTS AND REASONS

This Bill seeks to implement the proposal in the Budget for 1965 to abolish the gift tax and to exempt companies granted tax holidays on or after the 1st January, 1965, from the payment of property tax during the period of the tax holiday. Provision is also made exempting certain investments from property tax.

P. S. D'AGUIAR,
Minister of Finance.

(Bill No. 41/1965).