

CERTIFICATE

In accordance with section 56(2) of the Jamaica (Constitution) Order in Council 1962, I hereby Certify that this Bill shortly entitled The Transfer Tax (Amendment) Act, 2014 is a Money Bill.

MICHAEL A. PEART

*Speaker.*

A BILL

ENTITLED

AN ACT to Amend the Transfer Tax Act.

[ ]

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.—(1) This Act may be cited as the Transfer Tax (Amendment) Act, 2014, and shall be read and construed as one with the Transfer Tax Act (hereinafter referred to as the principal Act) and all amendments thereto.

Short title,  
construction  
and com-  
mencement.

(2) This Act shall come into operation on the 1st day of January, 2015.

2. Section 17 of the principal Act is amended—

Amendment  
of section 17  
of principal  
Act.

(a) in subsection (1), by deleting the full-stop appearing at the end of paragraph (e) and substituting therefor a semi-

colon, and inserting next after paragraph (e) the following paragraph—

“(f) as respects registered collective investment schemes—

(i) in the case of investors’ shares issued by a collective investment scheme company, any transfer, or agreement for the transfer, of investors’ shares in the company; and

(ii) in any other case, any transfer, or agreement for the transfer, of shares, units or other participating interests in the collective investment scheme.”;

(b) by inserting next after subsection (2) the following subsection—

“(2A) For the purposes of subsection (1)—

“collective investment scheme” has the meaning assigned to it by section 17A(2) of the *Securities Act*;

“collective investment scheme company” has the meaning assigned to it by section 27A(1) of the *Companies Act*;

“investors’ shares” has the meaning assigned to it by section 27A(3) of the *Companies Act*;

“registered collective investment scheme” means a collective investment scheme that is registered within the meaning of section 17A of the *Securities Act*.”.

3. Section 19 of the principal Act is amended by inserting next after subsection (2A) the following subsection—

Amendment of  
section 19 of  
principal Act.

“ (2B) Subsection (2) shall not have effect in relation to any document effecting or evidencing a transfer that is exempt under section 17(1)(f).”

4. Section 33 of the principal Act is amended—

Amendment of  
section 33 of  
principal Act.

(a) in subsection (2), by deleting the words “subsection (2A)” and substituting therefor the words “subsections (2A) and (2B)”;

(b) by inserting next after subsection (2A) the following subsection—

“ (2B) The provisions of subsection (2) shall not have effect in relation to a transfer that is exempt under section 17(1)(f).”

Passed in the House of Representative this 2nd day of December, 2014.

MICHAEL A. PEART

*Speaker.*

**MEMORANDUM OF OBJECTS AND REASONS**

A decision has been taken to amend the Transfer Tax Act to provide for the exemption of certain securities of collective investment schemes (as defined in the *Securities Act* as amended in 2013). The exemptions are intended to promote further growth and development of the local capital market, facilitate the ease of trading in securities, attract investors to local collective investment schemes, and promote the competitive advantage of securities that will make Jamaica more attractive as a domicile for collective investment schemes.

This Bill seeks to give effect to that decision.

**DR. PETER D. PHILLIPS**  
**Minister of Finance and Planning.**



**A BILL**

**ENTITLED**

**AN ACT to Amend the Transfer Tax Act.**

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**As passed in the Honourable House of Representatives.**

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SECTION 17 OF THE PRINCIPAL ACT WHICH  
IT IS PROPOSED TO AMEND

17.—(1) There shall be exempt from taxation under this Part—

- (a) ... ..
- (e) transfers of securities in the course of business on the Jamaica Stock Exchange, or any other stock exchange signified by order of the Minister to be recognized for the purposes of this paragraph, where such securities are quoted on the Jamaica Stock Exchange.

(2) For the purposes of subsection (1)—

- (a) “approved” means approved by order of the Minister;
- (b) the reference in sub-paragraph (i) of paragraph (a) thereof to property belonging to a transferor shall, in relation to the Government of Jamaica or other authority mentioned in that paragraph, be construed to include property vested in the Commissioner of Lands or the Accountant-General for, or for the use or benefit of, the authority;
- (c) in the case of the transfer by the Commissioner of Lands or the Accountant-General of property vested in him as aforesaid or any right or interest created with respect thereto, or the transfer to the said Commissioner of property which he thereby acquires for, or for the use or benefit of, any authority mentioned as aforesaid, the authority in question shall be deemed to be the transferor of the property so vested or the right or interest so created, or to be the transferee of the property so acquired, as the case may be;
- (d) property settled for a purpose mentioned in paragraph (d) thereof shall not be deemed, by reason only of the settlor being a beneficiary under the settlement, to be settled otherwise than exclusively for that purpose.

... ..

SECTION 19 OF THE PRINCIPAL ACT WHICH IT IS  
PROPOSED TO AMEND

19.—(1) ... ..

(2A) On and after the 22nd day of April, 1994, subsection (2) shall not have effect in relation to any document effecting or evidencing a transfer of securities which is certified by the Jamaica Stock Exchange or, where

applicable, such other stock exchange as is referred to in subsection (1)(e) of section 17, as falling within the exemption specified in that subsection.

... ..

SECTION 33 OF THE PRINCIPAL ACT WHICH IT IS  
PROPOSED TO AMEND

33.—(1) ... ..

(2) Notwithstanding anything to the contrary, but subject to subsection (2A), after the 4th August, 1971, no such transfer shall-

(a) ... ..

(2A) On and after the 22nd day of April, 1994, the provisions of subsection (2) shall not have effect in relation to a transfer of securities which is certified by the Jamaica Stock Exchange or, where applicable, such other stock exchange as is referred to in subsection (1)(e) of section 17, as falling within the exemption specified in that subsection.

... ..