

MINISTRY PAPER

Fees and Stamp Duties

Members of the Honourable House are asked to take note of the following fees and stamp duties for 2001/2002.

1. User Fees at Jamaica Customs

2. The decision was taken effective June 1, 1999 that user fees be implemented in the Customs Department. It is proposed that these user fees be increased, with the exception of the C78 import entry, form as indicated below. The current fees would move from \$500, \$1000, and \$3,000 to \$600, \$1,200 and \$3,500 respectively to be in line with price movements over the period.

Form	Current Fee	Proposed
Application to unload/load cargo at a sufferance wharf	500	600
Application to amend report/content	500	600
Unaccompanied baggage declaration	500	600
Request to import goods for temporary use	500	600
Request to repack warehoused goods	500	600
Application to remove goods for re-warehousing	500	600
Transshipment shipping bill	500	600
Permit to export goods for subsequent re-importation	500	600
Shipping Bill for export	500	600
C79 Import Entry	500	600
Provisional Entry	1,000	1,200
Bill of Sight	1,000	1,200
Application to remove goods under bond prior to entry	1,000	1,200
Examination fee per container	3,000	3,500

It is estimated that this will yield \$63M.

3. In respect of the C78 a flat fee of \$500 is currently charged irrespective of the value of the goods declared. In order to have a more equitable fee structure a progressive flat fee is proposed as follows;

Value of Goods (US\$)	Fee (J\$)
Less than \$1,000	\$600
\$1,000 and over but less than \$5,000	\$1,000
\$5,000 and over but less than \$10,000	\$1,500
\$10,000 and over but less than \$20,000	\$2,000
\$20,000 and over but less than \$30,000	\$2,500
\$30,000 and over but less than \$40,000	\$3,000
\$40,000 and over but less than \$50,000	\$3,500
\$50,000 and over but less than \$60,000	\$4,000
\$60,000 and over but less than \$70,000	\$4,500
\$70,000 and over but less than \$85,000	\$5,000
\$85,000 and over but less than \$100,000	\$5,000
\$100,000 and over	\$6,000

4. It should be noted that the user fee system is now operated in countries such as the United States of America and Mexico. In the case of Mexico the entire Customs Administration is financed from fees. **This measure is estimated to yield \$88M. The increase in user fees along with proposed amendments to the C78 form is to yield a total of \$151M.**

II. Stamp Duty on Selected Instruments

It is proposed to increase the Stamp Duty on selected instruments to more realistic levels as set out at Appendix 1. Some of these instruments are Memorandum of Association, Articles of Association, Deed Poll, Bills of Exchange & Promissory Notes etc.

The measure is expected to yield approximately \$12m.

III. Drivers Licence

Drivers licences fees were last increased in June 1998 and the fee for a private driver's licence, for example, currently stands at \$1,000 for a five


year period. With the recent introduction of a new driver's licence system to cover approximately 740,000 individuals over the next five years, it is proposed to recover some of the costs by increasing the fees by approximately 50% as set out in **Appendix 11**.

Expected yield from this measure is \$130M.

Summary of Proposals

Measure	Yield J\$M
Customs User Fees	151
Stamp Duty on Selected Instruments	12
Driver's Licences	<u>130</u>
Total	293

These measures will take effect on May 1, 2001.


Omar Davies, MP
Minister of Finance & Planning
April 11, 2001

		APPENDIX I
PROPOSED INCREASE IN STAMP DUTIES ON SELECTED INSTRUMENTS		
INSTRUMENT	PRESENT DUTY CHARGEABLE	PROPOSED INCREASE
CO-PARTNERSHIP	\$100	\$1,000
LICENCE TO SELL GUN POWDER	\$500	\$2,000
NATURALIZATION CERTIFICATE	\$50	\$1,000
MEMORANDUM OF ASSOCIATION	\$2	\$500
ARTICLES OF ASSOCIATION	\$100	\$500
DEED POLL	\$100	\$500
PROXY FOR VOTING	\$10	\$100
PATENT, SPECIFICATION, ETC.	\$100	\$1,000
BILLS OF EXCHANGE & PROMISSORY NOTES	\$4 per 200 to \$1,000	\$10 per 200 to a maximum \$5,000
VOTING INSTRUMENTS	\$0.10	\$100
CONSUMER BILL OF SALE	\$100	\$500
LEASE OPTION TO RENEW	\$20	\$500
INSURANCE POLICY FOR FIRE, BURGLARY, ETC.	\$100	\$200
RENTAL OF EQUIPMENT/MAINTENANCE LEASE	\$10	\$250
POWER OF ATTORNEY	\$100	\$500

		APPENDIX II
PROPOSED RATES FOR SPECIFIED LICENCES		
TYPES OF LICENCE	EXISTING	PROPOSED
PRIVATE DRIVER'S LICENCE	\$1,000	\$1,500
GENERAL DRIVER'S LICENCE	\$1,500	\$2,250
MOTOR CYCLE DRIVER'S LICENCE	\$750	\$1,250
PROVISIONAL DRIVER'S LICENCE (LEARNERS) FOR ONE YEAR	\$300	\$450