

# Introduction

The Taxation measures enumerated below are designed to raise the additional revenues necessary to finance the Central Government Budget.

They include:

- \* General Consumption Tax
- \* Tax on Cruise Ship Passengers
- \* Taxation of the Returns on Bank-Type Savings / Deposits of Certain Life Insurance Policies;
- \* Road Traffic Licenses;
- \* Gun Licenses;
- \* Stamp Duty;
- \* Transfer Tax;
- \* Property Tax;

## **Amendments to the General Consumption Tax Act and Regulations**

All Measures are effective June 18, 1993 unless as indicated or by an asterisk (\*). The items indicated with an asterisk (\*) will be given an effective date when necessary legislative measures have been approved.

1. Rate

It has been found necessary to increase the rate of GCT from 10% to 12.5%.

2. Tourism Activities

Hotels

In October, 1991, a special tourism tax scheme was introduced to cushion the impact of the introduction of GCT on the sector. This scheme provides that persons engaged in tourism activities are allowed a deduction from gross sales for the commissions paid overseas, gratuities paid to staff and transportation to and from the hotels, etc., to the airport. In addition, they also received a notional or imputed tax credit.

The notional tax credit will be eliminated but the deductions from gross sales will continue. The retention of this part of the scheme will be subject to the registered taxpayer offering the services on a tax included base.

The scheme will be modified effective 1st November, 1993.

Villas and Apartments

To correct the current situation in respect of remittance of tax collected by owners of villas and apartments who rent their units through agents, managers, or on their own and do not remit tax to the Government as they are not registered as taxpayers, it is proposed to make the owners, agents, managers or executives of a tourist accommodation complex be responsible to collect and remit tax on all taxable revenue derived from the activities in its accommodation complex.

3. GCT on Special Consumption Tax Goods (Excisables)

At the present time a special consumption tax (SCT) is levied at various rates on alcoholic beverages and tobacco products. It is payable by the producers at the time of sale and importers at the time of importation. GCT is not levied on these commodities, except in the case of alcoholic beverages served in bars, restaurants, etc. In other words, the distribution value added is not taxed as is the case of most goods and services. The existing law is being modified so that in addition to being subject to SCT at the point of sale by the producers and at importation, alcoholic beverages and tobacco products will be subject to GCT at all points in the distribution system. The standard input tax credit will apply in respect of GCT paid.

The SCT is presently made up of two rates; namely a specific rate and an advalorem rate. It is proposed to combine these into one ad valorem rate. The price of alcoholic beverages and cigarettes have recently been increased and as a result have contributed to additional tax revenue. Therefore, it has been decided to reduce the existing SCT rates to provide for a reduced impact on the retail price of the commodities subject to GCT and SCT.

The new rates are shown in Appendix I

4. **Treatment of Agriculture**

At the present time agricultural activities are zero rated. As a result all persons engaged in this type of activities should have registered as required taxpayers under the GCT Act. It is noted that a large number of the agriculturalists in this country have not registered. As a result, these persons are in default of the Law in this respect. To correct this situation the status of agricultural activities will be changed from zero-rated to exempt. In order to continue the zero-rating status for those who are presently registered as registered taxpayers, agriculturalist engaged in the production of agricultural goods for export or the growing of crops for commercial production will be entitled to registration as taxable persons.

It should be noted that small agriculturalists are not really losing any real privileges as a result of this change as most agricultural inputs such as agricultural equipment, fertilizer, seeds, animal feeds, etc., are zero rated. Furthermore, the status of the purchaser, whether he is registered or not, does not affect the zero-rating of the products. However, some items which are presently zero-rated which are not exclusively or mainly used in agriculture are now to be taxed. Included in this category are machetes, files, forks, hog wire and barbed wire. Further, fertilizer, insecticides, pesticides, etc. sold in retail package not exceeding 5.0 lbs or 2.2 kilos will also be taxable.

5. **Exemption of Foodstuff**

The following foodstuffs which are presently zero-rated are to be exempted.

I. Raw foodstuff as follows-

- (a) fresh fruits and vegetables, excluding imported apples, pears and quinces, apricots, cherries, peaches (including nectarines), plums and sloes, berries and grapes, kiwis;
- (b) ground provision;
- (c) legumes;
- (d) onions and garlic;
- (e) the edible products of slaughtered animals
- (g) fish, crustacean or mollusc

which contain no additive and which is not subject to any process other



than -

- i) freezing, chilling, salting or packaging;
- ii) slicing, mincing, grinding, dicing or chopping; or
- iii) natural drying;

- 2. Milk (including condensed and powdered skimmed) but excluding flavoured milk, milk-based products and milk substitutes
- 3. Cornmeal and cereal flour which is known as counter flour and which is made from cereal containing thiamine, riboflavin, niacin and iron but no other additives
- 4. Corn beef
- 5. Pickled mackerel, herrings, shad and dried salted fish
- 6. Canned sardines, herrings and mackerel
- 7. Infant formulae
- 8. Bread, buns, bialls, crackers.
- 9. Rice
- 10. Sugar (brown)
- 11. Soya oil (pure or mixed) coconut oil and margarine.
- 12. Salt
- 13. Eggs
- 14. Patties, that is to say beef or vegetable pies of the description popularly known by that name in Jamaica.
- 15. Rolled oats

In item 8 "crackers" mean small dry bakery products made only of bleached flour and water with or without leavening or shortening and salted, with not more than ten percent by weight of sugar and without flavouring, coating or topping and verified to be such by the Bureau of Standard.

As a result of this change in relief status traders will not be entitled to recover the tax paid on any inputs, expenses, etc. related to these activities. The tax become a cost to the trader. The increase in the price to consumers should be minimal. To reduce the impact of the increase in the cost to traders, manufacturers of exempt foodstuffs will continue to acquire from manufacturers coverings and containers free of GCT.

6. \* **Real Property**

(I) The present GCT treatment of real property is mixed: it ranges from taxable, e.g. commercial rents to exempt, e.g. construction operations as defined under the Contractor's Levy Act. The proposal is to treat Real Property activities for GCT purposes as follows:

- (a) Taxable
  - i) Lease or rental of land other than for agricultural purposes and buildings site;
  - ii) Sale of new buildings other than residential dwellings;
  - iii) Lease or rental of residential dwelling for up to 30 days;



- iv) Repairs, renovations, alterations and demolition of buildings and structures; and
- v) Real estate commissions or fees.

(b) Exempt

- i) Sales of raw and improved land;
- ii) Sales of new and existing residential dwellings;
- iii) Sales of existing non-residential buildings and structures;
- iv) Leases or rental of residential dwelling for periods exceeding 30 consecutive days; and
- v) Civil engineering works.

It is proposed to introduce this measure effective October 1, 1993.

A refund scheme will be developed to provide purchasers of small residential units a refund of GCT paid on construction materials and services which were inputs into small units, say below 400 square feet. The refund will be used to pay the transfer tax on the unit.

7. **Taxation of Construction Materials**

At the present time cement, premixed concrete, cement blocks, cement tiles, and other construction material made of cement are exempt. Pipes more than 2 inches in diameter are also presently zero rated. These items will now be taxable.

8. **Transportation of Goods**

At the present time transportation of goods and people is exempt from GCT. Transportation of people will continue to be exempt but the transportation of goods will become a taxable activity.

9. **Miscellaneous Elimination of Zero Rating**

(a) **Covering and Containers**

A scheme exists to zero rate coverings and containers purchased by manufacturers or producers. It is to be extended to include a listing of coverings and containers which are designed for agricultural items or are printed to indicate the name of the agricultural product and that the item is a product of Jamaica.

- (b) **Incentive Industries**  
The relieving provisions in the Act are too broad and as a result provide the bauxite and alumina companies more benefits than they are entitled to under the various pieces of legislation affecting this sector. Therefore, the legislation is being tightened to specify that incentive treatment (i.e., zero rating) to be allowed for purchases of goods and services used in the production activities of the incentive firms.
- (c) **International Freight and Ancillary Services**  
The existing provisions which zero-rated international freight and ancillary services are to be removed.  
  
Services including agency fees relating to exports will continue to be zero rated. Services related to imports will be taxable. Services rendered within an international airport grounds and harbour will be exempt.
- (d) **Nursery Stock etc.**  
Nursery stock, other than commercial agricultural plants, and live trees which are presently zero rated are to be subject to tax.
- (d) **Printed Materials**  
Brochures, pamphlets and leaflets which are presently zero rated will now be subject to GCT at the standard rate, except for those to be used in religious services.
10. **Fuel for Fishermen**  
At the present time tax paid on motor spirits and lubricating oil certified by the Fisheries officer to have been supplied or as intended to be supplied to fishermen for use in commercial fishing is refunded. In future only 50% of the tax will be refundable.
11. \* **Taxation of Intellectual Properties (Chose in Action)**  
Presently intellectual properties such as patent trademarks, copyrights, licences, industrial designs, etc. are not subject to GCT. It is proposed to make them taxable.
12. **Zero Rating of Wheat, Corn and Soya Meal**  
The supply of wheat, corn and soya meal is to be zero rated.
13. **Financial Services**  
Generally, financial services are exempt for GCT purposes. This provision is modified to the extent that GCT will be levied on fees, commissions, transaction charges, etc. of financial institutions. Further, the Commissioner of General Consumption Tax will establish and publish a notional input tax rate or formula which will be creditable against the liability resulting from the levy.



14. **Agents/Salesmen's Commission - Life Insurance**  
Currently commissions earned in the General Insurance industry are subject to GCT. Tax will now be levied on commissions earned by Agents and salesmen in the Life Insurance industry who are self-employed or under contract.
15. \* **Fringe Benefits**  
Where a registered taxpayer supplies free of charge or charge an amount which is less than open market value for goods and services (e.g. meals, drinks, etc., in a canteen or dining room or supplies meal tickets to employees, partners and contractors such a person will not be entitled to any input tax credit.
16. **Motor Vehicle Expenses**  
Where a registered taxpayer owns a motor car and uses the motor car for business and pleasure, such a person can presently claim only 70% of the input tax which is charged in relation to the taxable activities in respect of repairs to that motor car. This policy will be modified to provide that only 50% of the input tax which is charged in respect of all expenses related to the motor car will be allowed for business purposes. Further, this amendment will also affect leased motor cars.
17. \* **Penalty**  
The Act provides for a penalty of 30% to be levied where a registered taxpayer fails to file a return or pay any tax payable by due date.  
  
It is proposed to amend this provision to provide that -  
  
(a) Where a return for a taxable period is not filed by due date a penalty will be incurred as follows:  
  

Limited Company	\$500 per return
All Others	\$250 per return

  
-or-  
  
an amount equal to 15% of the tax which should have been paid for the taxable period, whichever is greater.  
  
(b) Where a person fails to pay taxes due for a taxable period he shall be liable to a penalty of 15% of the tax due and payable as at the due date of the return.
18. \* **Surcharge**  
The wording of the section of the Act making a person liable to a surcharge for being an habitual defaulter is defective and will be amended.



19. **Utilities**

The Jamaica Public Service Company Limited and the National Water Commission presently acquire free of GCT equipment, machinery etc., for the generation, storing, conducting and measuring electricity, or for the provision of water.

As the supply of electricity and water is exempt from GCT, these organizations should not be entitled to special GCT treatment. The relieving provision referred to above are to be deleted.

20. \* **Education and Training**

The Act is to be modified to clarify a problem relating to the exemption of services pertaining to the provision of education and training. GCT is not being collected on seminars, conferences, etc., where an admission charge is made. This type of activity does not fall within the relieving provision for education and training.

21. \* **Rebuilding/Assembling of Motor Vehicle**

The GCT Act will be amended to provide that the assembling/rebuilding of motor vehicles is to be a taxable activity. GCT will be imposed on the assembling/rebuilding of motor vehicles whether by an individual or by a registered taxpayer or registered person. The value of the supply shall be the open market value of the assembled/rebuilt motor vehicle at the time of licensing under the Traffic Act. The open market value to be established by a person in the business of appraising motor vehicles for car insurance purposes or by the Commissioner who may consult the Commissioner of Customs, or the Island Traffic Authority, or the Trade Board, Ltd.

22. **Stock Credit**

Statements were made in the House of Representatives by both the Prime Minister (when he was Minister of Finance), and the present Minister of Finance making it absolutely clear that the government was not going to grant the stock credit to those persons who did not pass the credit on to consumers. The result of audits conducted by officers of the GCT Department has disclosed that some persons merely charged the ten (10) percent tax and made no adjustments which benefited the consumers.

It is therefore intended to amend the GCT Act to make it clear that those persons who did not pass on the credit to consumers are not entitled to any benefit.

The Act will be amended to confirm the statements made in the House.

# Appendix I Rates of Special Consumption Tax

Amendment to the Second Schedule as follows:

Tariff Heading	Description of Goods	Unit of Tax	Rate of Tax
Ex.24.02	Cigarettes	Value %	38.2
Ex 22.01 to 22.09	Spirits and Beer a) Spirits		
Ex 33.01 to 33.07	i) of a strength exceeding 57.1% of alcohol by volume	Value %	22.2
	ii) of a strength exceeding 31.5% of alcohol by volume but not exceeding 57.5% of alcohol by volume	Value %	13.8
	iii) of a strength not exceeding 31.5% of alcohol by volume.	Value %	5.0
22.03	b) Beer		
	i) of a strength not exceeding 6% of alcohol by volume	Value %	15.6
	ii) others	Value %	5.0
Ex.Ch.22	Wines and alcoholic beverages produced by fermentation	Value	12
Ex. 22.08	Liqueurs and cordials	Value	12

Ex.

cigars, cheroots,  
cigarillos, smoking  
and other manufac-  
tured tobacco and  
stuff.

Value

12



**TAXATION MEASURES 1993/94**  
**GENERAL CONSUMPTION TAX**  
**MODIFICATIONS TO ZERO RATED AND EXEMPT ITEMS**

		\$, Mn
1.	<b>Tourism Sector</b>	
-	Modification of special concession granted	229
2.	<b>Excisables</b>	
-	Imposition of GCT on Alcoholic Beverages and Tobacco Products	173
3.	<b>Agriculture</b>	
-	Change status of Agriculture (except Exports) from zero-rated to exempt	11
-	Change status off Processed Foodstuff from zero-rated to exempt	354
4.	<b>Real Property</b>	
-	Remove exempt status from Construction (except except residential housing)	104
-	Remove exempt status from Construction materials	104
5.	<b>Transportation of Goods</b>	
-	Remove exempt status from Transportation of Goods in Jamaica	10
6.	<b>Taxation of Miscellaneous Items presently zero-rated</b>	
-	Household insecticides	9
-	International Freight and Ancillary Services (Inward)	10
-	Nursery stock	4
-	Printing	30

-	Training	20
7.	Fuel for commercial fisherman	
-	Reduction of relief by 50%	9
8.	Choses in Action [Intellectual Properties]	
-	Imposition of tax on choses in action eg. royalties, rights etc.	20
9.	Financial Services	
-	Fees, etc.	75
-	Life Insurance Agents Commissions	37
10.	Input tax credit modifications	
-	Fringe benefits	28
-	Motor vehicle expenses	50
11.	Change in rate	820
12.	Modification to penalty and surcharge provisions	105
13.	Compliance Improvement in Self Assessment System	63
14.	Incentives	15
15.	Utilities	25
16.	Improvement in Self Assessment System	63
17.	Assembling and Rebuilding of Motor Vehicles	75
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	Total	\$2,443



## Other Measures

### **Tax on Cruise Ship Passengers**

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The existing tax on Cruise Ship Passengers is now US\$10.00 having been increased from US\$6.00 in December 1991. It is now proposed to increase this tax to US\$15.00 as at October 1, 1993. This increase is estimated to yield an additional sum of \$46M for 1993/94.

This additional sum is required in order for the Government to recover the cost of improved security, as well as the provision and maintenance of infrastructure and visitor information service provided in the resort towns visited by cruise ships.

It should be noted that the Bahamas and Jamaica provide the best facilities for cruise ships in the English-speaking Caribbean and the proposed increase will bring Jamaica's Head Tax in line with that charged in the Bahamas. Mexico and Puerto Rico provide a high standard of facility, but although their head tax is lower they have higher port charges than Jamaica. Continuing dialogue is taking place with the Cruise Shippers in order that this issue can be settled in an amicable manner without jeopardizing the best interest of Jamaica and her Caricom partners.

### **Taxation of the Returns on Bank-Type Savings / Deposits of Certain Life Insurance Policies**

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Since 1990, new types of Life Insurance Policies have been put on the market. The premiums of these policies include significant saving components where the policyholder deposits periodic "premiums" that are in effect short-term deposits to which accrue interest.

To this class of life policies have been diverted funds which would have been held in Savings Accounts, Certificates of Deposits or Debentures because of the lack of withholding tax and the lower rate of tax which applies to the Investment Income of Life Insurance Companies. This makes the net return to the policyholder greater than that which would accrue from bank deposits or debentures.

In order to remove the inequity in the treatment of what are in effect similar types of activities it is proposed to take the following action.

The Income Tax Act is to be amended to allow the following:

Life Policies issued on the 1st January 1990 or later where the equity premium or investment premium exceeds 50% of total premium paid/payable will be liable for withholding tax on interest credited to the policyholder's account and withholding tax on the difference between the unit value payable (on maturity, death, surrender or partial surrender) and the total investment or equity linked premiums paid.

The rate of withholding tax would be:



- 25% for individual policyholders
- 33 1/3% for corporate policyholders.

This measure is expected to yield \$200M for this financial year.

### **Amendment to the Road Traffic Licenses**

In order to assist in financing the cost of maintaining the island's roads and bridges, it is planned that there will be increases in the licence fees charged under the Road Traffic Act with effect from the 1st July, 1993 in respect of the following:

- Driver's Licences
- Provisional Driver's Licence/Substitute
- Annual Motor Vehicle Licence Fees
- Motor Vehicle Licence Fees, petrol - Trucks and Tractors
- Motor Vehicle Licence Fees, diesel - Trucks and Tractors

The increases are shown in the **Appendix I** to this Ministry Paper which is being tabled and are expected to yield \$225M for this financial year.

### **Increase in Gun Licenses**

It is proposed to increase the amounts charged for gun licences as follows:

	<u>Existing Rates</u>	<u>Proposed Rates</u>
	\$	\$
General Licences	500	1,000
Restricted Licences	250	500
User Permits	15	100
Hunters Permits	500	1,000

The existing rates yielded \$8.5M in 1992/93 and the proposed rates \$6.0M for 1993/94.

### **Amendment to the Stamp Duty Act**

This amendment is intended to amend a loophole in the existing Stamp Duty Act which allows for shares in private companies to be transferred in anticipation of the exercise of an option without paying the relevant **ad valorem** Stamp Duty.

It is proposed to enact legislation which provides that any instrument whereby property is conveyed or transferred to any person in contemplation of a sale of that property is to be treated as a conveyance or transfer on sale for a consideration equal to the value of the property. A provision is made for claim for repayment to be made within two years of the making or execution of the instrument charged if it can be shown to the satisfaction of the Commissioner that:

- (a) the sale did not take place and the property has been re-conveyed to the original transferor; or
- (b) that the sale has taken place for a consideration less than the value on which duty was paid.

This measure is expected to yield an additional \$40M.

### **Amendment to the Transfer Tax Act**

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The Transfer Tax Act is to be amended to prevent the sale of building units being transferred by a developer to a purchaser to escape the imposition of Transfer Tax by the use of split contracts.

This measure was previously announced, but the legislation has not yet been enacted.

This measure is expected to yield an additional \$100M.

### **Property Tax Rates**

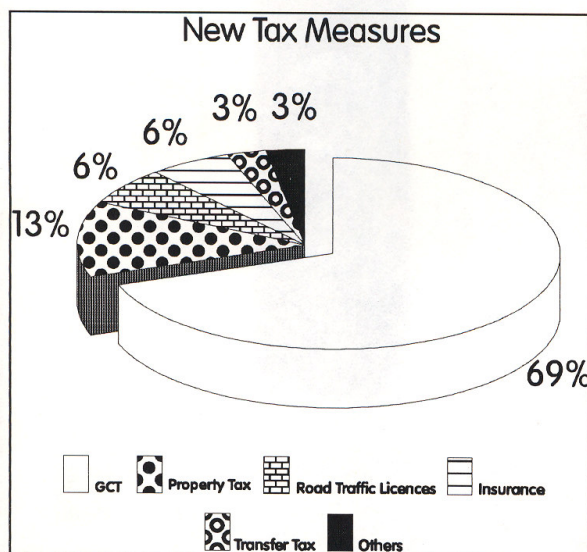
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By Ministry Paper No. .... dated 11th May, 1993, this Honourable House was advised of the New Property Tax Rates. This is estimated to yield an incremental \$450 million.



## Summary of the Tax Measures

1.	<b>Increase of the GCT Rate and Modifications to the GCT Act</b>	<b>2,4430</b>
2.	<b>Tax on Cruise Ship Passengers</b>	<b>460</b>
3.	<b>Tax on Returns on Bank-Type Saving / Deposits of Certain Life Insurance Policies</b>	<b>2000</b>
4.	<b>Amendment to the Road Traffic Licenses Act.</b>	<b>2250</b>
5.	<b>Increase in Gun Licenses</b>	<b>60</b>
6.	<b>Amendments to the Stamp Duty Act.</b>	<b>400</b>
7.	<b>Amendments to the Transfer Tax Act.</b>	<b>1000</b>
8.	<b>Property Tax Rates [Already Presented to Parliament]</b>	<b>4500</b>
	<b>Total</b>	<b>3,5100</b>



**THE HON. HUGH SMALL, Q.C., M.P.**  
**MINISTER OF FINANCE**  
**JUNE 17, 1993**



### Drivers Licences

Type of Drivers License	Existing Fees				Proposed Fees			
	Amount Payable Each Year	Amount Payable for a Three Year Period	Laminate Fee	Total Amount Payable for a Three Year Period	Amount Payable for Each Year	Amount Payable for a Five Year Period	Laminate Fee	Total Amount Payable for a Five Year Period
Private Drivers Licence	15	45	5	50	100	500	25	525
General Drivers License	15	45	5	50	150	750	25	775
Motor Cycle Drivers License	15	45	5	50	100	500	25	525

### Provisional Drivers Licence

*Substitute Drivers Licence*

Type of Drivers License	Existing Fee		Proposed Fee	
	Period of License	Amount Payable	Period of License	Amount Payable
Provisional Drivers License	Six (6) Months	10	One (1) Year	100

Type of Drivers License	Existing Fee			Proposed Fee		
	Amount Payable	Laminate Fee	Total Amount Payable	Amount Payable	Laminate Fee	Total Amount Payable
(a) Private Drivers	10	5	15	125	25	150
(b) General Drivers	10	5	15	125	25	150
(c) Motor Cycle Drivers	10	5	15	125	25	150

### Fee for Certificate of Title

Item	Existing Fee	Proposed Fee
Certificate of Title	25	200
Substitute Certificate of Title	100	400



# Annual Motor Vehicle License Fees

Motor Vehicle	Existing Annual Fee	Proposed Annual Fee
<b>Motor Cycles</b>		
Motor Cycles not exceeding 125cc	32	250
Motor Cycles exceeding 125 cc but not exceeding 500 cc	60	500
Motor Cycles exceeding 500 cc	100	750
<b>Motor Cars (Taxis)</b>	139	1000
Motor cars not deriving motive power from an internal combustion engine worked by cylinder(s)	162	1000
<b>Motor Cars (other than Taxis)</b>		
Motor cars not exceeding 1199 cc	162	1000
Motors cars exceeding 1199cc but not exceeding 2999cc	248	1500
Motor cars exceeding 2999cc but not exceeding 3999 cc	450	3000
Motor cars exceeding 3999cc	938	5000
<b>Petrol: Trucks and Tractors</b>		
Petrol Trucks and Tractors not exceeding 20 cwt	60	1500
Petrol Trucks and Tractors exceeding 20 cwt. but n/e 30 cwt	79	1500
Petrol Trucks and Tractors exceeding 30 cwt but not exceeding 40 cwt	102	1500
Petrol Trucks and Tractors exceeding 40 cwt. but n/e 50 cwt	102	3000
Petrol Trucks and Tractors exceeding 50 cwt. but n/e 60 cwt	162	3000
Petrol Trucks and Tractors exceeding 60 cwt. but n/e 75 cwt	213	3000
Petrol Trucks and Tractors exceeding 75 cwt	300	2000
		per ton
<b>Diesel: Trucks and Tractors</b>		
Diesel Trucks and Tractors exceeding 20 cwt. but n/e 30 cwt	314	1500
Diesel Trucks and Tractors exceeding 30 cwt. but n/e 40 cwt	371	1500
Diesel Trucks and Tractors exceeding 40 cwt. but n/e 50 cwt	420	3000
Diesel Trucks and Tractors exceeding 50 cwt. but n/e 60 cwt	511	3000
Diesel Trucks and Tractors exceeding 60 cwt. but n/e 75 cwt	613	3000
Diesel and Tractors exceeding 75 cwt.	768	2000
		per ton
<b>Trailers</b>		
Motor Vehicle Licence: Trailers	25 cents per cwt.	\$25 per cwt.
<b>Second Sale</b>		
<b>1. Motor Cars as definewd in section 11 of Road Traffic Act</b>		
(a) with engine capacity not exceeding 2000 cc	1000	2000
(b) exceeding 2000 cc but not exceeding 3000 cc	2000	4000
(c) exceeding 3000 cc	3000	6000
<b>2. Trucks</b>		
(a) not exceeding 30 cwt. unladen weight	1000	2000
(b) exceeding 30 cwt. but not exceeding 60 cwt	2000	4000
(c) exceeding 60 cwt	3000	6000

## Notes

1 Second Sale means the sale of a motor vehicle that has previously been registered under the Road Traffic Act.

2 No tax shall be payable in respect of the sale of any motor vehicle -

(a) which at the time of sale is over eight (8) years old

(b) imported exempt from Customs Duty;

(c) if the purchase is an Approved Farmer

# **ROAD TRAFFIC ACT**

**DRIVERS LICENCES : Page 2**

**PROVISIONAL DRIVERS LICENCE : Page 3**  
**SUBSTITUTE DRIVERS LICENCE**

**FEE FOR CERTIFICATE OF TITLE : Page 4**

**ANNUAL MOTOR VEHICLE LICENCE FEES : Page 5**

**ANNUAL MOTOR VEHICLE LICENCE FEES : Page 6**  
**PETROL: TRUCKS AND TRACTORS**  
**DIESEL: TRUCKS AND TRACTORS**  
**TRAILERS**

**SECOND SALE : Page 7**



## DRIVERS LICENCES

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Type of Driver's Licence	Existing Fees				Proposed Fees			
	Amount Payable each year	Amount Payable for 3 year period	Laminate Fee	Total Amount Payable for 3-year period	Amount Payable for each year	Amount Payable for 5-year period	Laminate Fee	Total Amount Payable for 5-year period
Private Drivers Licence	\$ 15	\$ 45	\$ 5	\$ 50	\$ 100	\$ 500	\$ 25	\$ 525
General Drivers Licence	15	45	5	50	150	750	25	775
Motor Cycle Drivers Licence	15	45	5	50	100	500	25	525

**PROVISIONAL DRIVERS LICENCE**  
**SUBSTITUTE DRIVERS LICENCE**

\*\*\*\*

Type of Drivers Licence	Existing Fee		Proposed Fee	
	Period of Licence	Amount Payable	Period of Licence	Amount Payable
Provisional Drivers Licence	six (6) months	\$ 10	one (1) year	\$ 100

Type of Drivers Licence	Existing Fee			Proposed Fee		
	Amount Payable	Laminate Fee	Total Amount Payable	Amount Payable	Laminate Fee	Total Amount Payable
	\$	\$	\$	\$	\$	\$
(a) Private Drivers	10	5	15	125	25	150
(b) General Drivers	10	5	15	125	25	150
(c) Motor Cycle Drivers	10	5	15	125	25	150

## FEE FOR CERTIFICATE OF TITLE

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<i>Item</i>	<i>Existing Fee</i>	<i>Proposed Fee</i>
Certificate of Title	\$25	\$200
Substitute Certificate of Title	\$100	\$400



## ANNUAL MOTOR VEHICLE LICENCE FEES

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Motor Vehicle	Existing Annual Fee \$	Proposed Annual Fee \$
<b>Motor Cycles</b>		
Motor Cycles not exceeding 125 cc	32	250
Motor Cycles exceeding 125 cc but not exceeding 500 cc	60	500
Motor Cycles exceeding 500 cc	100	750
<b>Motor Cars (Taxis)</b>	139	1,000
Motor cars not deriving motive power from an internal combustion engine worked by cylinder(s)	162	1,000
<b>Motor Cars (other than Taxis)</b>		
Motor cars not exceeding 1199 cc	162	1,000
Motor cars exceeding 1199 cc but not exceeding 2999 cc	248	1,500
Motor cars exceeding 2999 cc but not exceeding 3999 cc	450	3,000
Motor cars exceeding 3999 cc	938	5,000

## ANNUAL MOTOR VEHICLE LICENCE FEES

<i>PETROL: TRUCKS AND TRACTORS</i>		
	<i>Existing Annual Licence Fee \$</i>	<i>Proposed Annual Licence Fee \$</i>
Petrol Trucks and Tractors not exceeding 20 cwt.	60 )	
Petrol Trucks and Tractors exceeding 20 cwt. but n/e 30 cwt.	79 )	1,500
Petrol Trucks and Tractors exceeding 30 cwt. but n/e 40 cwt.	102 )	
Petrol Trucks and Tractors exceeding 40 cwt. but n/e 50 cwt.	102 )	
Petrol Trucks and Tractors exceeding 50 cwt. but n/e 60 cwt.	162 )	3,000
Petrol Trucks and Tractors exceeding 60 cwt. but n/e 75 cwt.	213 )	
Petrol Trucks and Tractors exceeding 75 cwt.	300	2,000 per ton
<i>DIESEL: TRUCKS AND TRACTORS</i>		
Diesel Trucks and Tractors exceeding 20 cwt. but n/e 30 cwt.	314 )	1,500
Diesel Trucks and Tractors exceeding 30 cwt. but n/e 40 cwt.	371 )	
Diesel Trucks and Tractors exceeding 40 cwt. but n/e 50 cwt.	420 )	
Diesel Trucks and Tractors exceeding 50 cwt. but n/e 60 cwt.	511 )	3,000
Diesel Trucks and Tractors exceeding 60 cwt. but n/e 75 cwt.	613 )	
Diesel Trucks and Tractors exceeding 75 cwt.	768	2,000 per ton
<i>TRAILERS</i>		
Motor Vehicle Licence: Trailer	25 cents per cwt.	\$25 per cwt.

## SECOND SALE

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Motor Vehicle	Existing Rate \$	Proposed Rate \$
1. Motor Cars as defined in section 11 of Road Traffic Act		
(a) with engine capacity not exceeding 2000 cc	1,000	2,000
(b) exceeding 2000 cc but not exceeding 3000 cc	2,000	4,000
(c) exceeding 3000 cc	3,000	6,000
2. Trucks		
(a) not exceeding 30 cwt. unladen weight	1,000	2,000
(b) exceeding 30 cwt. but not exceeding 60 cwt.	2,000	4,000
(c) exceeding 60 cwt.	3,000	6,000

## NOTE:

1. **Second Sale** means the sale of a motor vehicle that has previously been registered under the Road Traffic Act.
2. No tax shall be payable in respect of the sale of any motor vehicle -
  - (a) which at the time of sale is over eight (8) years old;
  - (b) imported exempt from Customs Duty;
  - (c) if the purchaser is an Approved Farmer.