

ANTIGUA AND BARBUDA

THE PROPERTY TAX (AMENDMENT) ACT, 2006

A BILL FOR

AN ACT to amend the Property Tax Act, 2000 to provide a reduced rate of tax on agricultural property, and to enable a rebate of tax to be made to local pensioners.

ENACTED by the Parliament of Antigua and Barbuda as follows:

1. This Act may be cited as the Property Tax (Amendment) Act, 2006. Short title
2. In this Act “the principal Act” means the Property Tax Act, 2000. Interpretation
3. The principal Act is amended— Agricultural land
 - (a) by inserting in section 2 before the definition “Authority” the following definition—

““agricultural land” means land used for—

 - (a) the production of food crops, tree crops, livestock, poultry or timber;
 - (b) fish farming or bee keeping; or
 - (c) wildlife habitation;”;
 - (b) by inserting after section 13(2) the following subsection—

“(2A) Tax shall be charged on agricultural land for the year 2006 and thereafter in accordance with the basis set out in Item D in Part I of the Schedule.”;
 - (c) by deleting section 13(3) and substituting the following subsection—

“(3) The Minister may, on application in writing by the owner—

 - (a) in the case of agricultural land for each of the years 2001 – 2005 reduce the rate of tax to be paid by the owner to the rate set out in Item D in Part I of the Schedule and refund any excess already paid over the amount due at that rate;
 - (b) in any other case that the Cabinet deems a fit and proper case for such treatment, reduce or

waive the amount of tax to be paid by the owner.”; and

- (d) by adding at the end of Part I of the Schedule the following Item—

“D AGRICULTURAL LAND

\$3.00 per acre or part thereof per year provided that the minimum amount of tax payable in respect of a single parcel of agricultural land shall not be less than \$50, or such other sum as may be prescribed.”.

4. The principal Act is amended by inserting after section 50 the following section—

Rebate for local pensioners

“Rebate for local pensioners

50A. (1) Where a dwelling house is owned and occupied during two consecutive tax years by a local pensioner and no part of the dwelling house was let to another person during the calendar year preceding the tax year there shall be allowed on written application by or on behalf of the pensioner a rebate of fifty per cent of the property tax payable for the tax year.

(2) A person applying to the Commissioner for a rebate under subsection (1) shall provide such proof of eligibility and certificates of occupancy of the property as may be required by the Commissioner.

- (3) In this section—

“local pensioner” means a citizen of Antigua and Barbuda or other CARICOM state who receives—

- (a) an employment pension;
- (b) a disability pension; or
- (c) an age pension,

and whose total income does not exceed \$60,000 per annum;

“age pension” means a payment made by a state to a person because that person has reached the age of 60 years or such other age as may be prescribed;

“disability pension” means a periodic payment made to an individual because he is partially or totally handicapped; and

“employment pension” means a regular periodic payment in respect of the past services or the occupation of the recipient, or of the spouse or parent of the recipient, or of a deceased person of whom the recipient is a bona fide beneficiary.”.

EXPLANATORY MEMORANDUM

This Bill amends the Property Tax Act, 2000, to reduce the rate of property tax on agricultural property to \$3.00 per acre, with a minimum of \$50 (or such other sum as may be set by regulations) per single parcel (“the new rate”). It also provides power for the Minister to reduce the rate of tax payable on agricultural property for the years 2001 – 2005 to the new rate, and to refund tax in excess of the new rate that may have already been paid.

The limit of 75% of the rate to which the Minister may reduce a person’s liability in special cases is abolished, and in future the Minister will be able to waive completely a person’s liability to property tax with the Cabinet’s approval.

Provision is also made for local pensioners to receive a rebate of 50 % of the property tax payable for the year, subject to certain conditions.

Clause 1 provides the short title.

Clause 2 is an interpretation clause.

Clause 3 reduces the rate of property tax on agricultural land and enables a person’s liability for tax to be waived.

Clause 4 introduces the 50% rebate of property tax for local pensioners.