

IMMOVABLE PROPERTY TAX (AMENDMENT) BILL, 2022*(Bill No. 12 of 2022)***EXPLANATORY STATEMENT**

This Bill seeks to address a few procedural matters that will improve the implementation process of the Immovable Property Tax Act, 2019. The Bill seeks to address a few matters in relation to the valuation of immovable property in a foreign currency and provide solutions to a few legislative gaps that were identified by the authorities implementing the Immovable Property Tax Act.

It is being proposed that a new provision is inserted to allow the Registrar General to enter the particulars of a person liable as a taxpayer on the register of non-Seychellois immovable property owners. The Registrar General will now be allowed to automatically register a non-Seychellois in the register of non-Seychellois immovable property owners where, for instance, immovable property is transferred to the non-Seychelles by way of a transmission on death, bankruptcy, insolvency or liquidation under the Land Registration Act. Similarly, the Registrar General can enter the particulars of the taxpayer where the Registrar General is in possession of judgment or order of the court showing that the property should be transferred to non-Seychellois or where the Registrar General registers an instrument of transfer after being satisfied that the non-Seychellois has been granted a sanction under the Immovable Property (Transfer Restriction) Act.

Further, it is being proposed that where a valuation of immovable property is made in a foreign currency, the immovable property tax payable by the non-Seychellois would be determined by the exchange rate on the date of receipt of the valuation and in each of the succeeding 4 years, tax will be determined by the exchange rate on 1 January of the relevant year (under section 5 of the Act, tax payable in a financial year is imposed on 1 January).

Dated this 22nd day of June, 2022.

**FRANK D.R. ALLY
ATTORNEY-GENERAL**

IMMOVABLE PROPERTY TAX (AMENDMENT) BILL, 2022

(Bill No. 12 of 2022)

ARRANGEMENT OF SECTIONS

SECTIONS

1. Short title
2. Amendment of section 2
3. Amendment of section 6
4. Amendment of section 13
5. Insertion of new section 13A.
6. Amendment of section 15
7. Insertion of new section 15A.
8. Amendment of section 26

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(Bill No. 12 of 2022)



A BILL

FOR

AN ACT TO AMEND THE IMMOVABLE PROPERTY TAX ACT, 2019.

ENACTED by the President and the National Assembly.

Short title

1. This Act may be cited as the Immovable Property Tax (Amendment) Act, 2022, and shall be read and construed as one with the Immovable Property Tax Act, 2019, which is hereinafter referred to as the “principal Act”.

Amendment of section 2

2. Section 2 of the principal Act is amended by inserting in the proper alphabetical order the following new definition —

“**foreign currency**” means the legal tender described as United States Dollar (US\$), Pound Sterling (£), Euro (€) or such other legal tender that the Minister may specify by notice published in the Gazette;”

Amendment of section 6

3. Section 6(1) of the principal Act is amended by repealing the words “A non-Seychellois” and substituting therefor the words “Subject to this Act, every non-Seychellois”.

Amendment of section 13

4. Section 13 of the principal Act is amended —

- (a) in subsection (1) by inserting immediately after the words “established a register” the words “of non-Seychellois immovable property owners”;
- (b) in subsection (8) by inserting immediately after the words “maintain the register” the words “in such format as the Registrar General may determine”;
- (c) in subsection (10) by inserting immediately after the words “or misdescription” the words “, or remove the name of a person and rectify any particulars”;
- (d) by inserting immediately after subsection (10) the following new subsection —

“(11) Notwithstanding subsection (10), the Registrar General shall not remove the name of a person who is no longer liable as a taxpayer from the register unless all taxes due and payable by that person are paid.”

Insertion of new section 13A.

5. The principal Act is amended by inserting immediately after section 13 the following as section 13A. —

“Registrar General may enter the particulars of a person liable as a taxpayer on the register

13A.(1) Notwithstanding section 13, the Registrar General may cause a person liable as a taxpayer under section 6(1) to be registered on the register established under section 13 where —

- (a) the non-Seychellois owns land by virtue of section 32, 40, 72, 73, 74 or 75 of the Land Registration Act, Cap. 107;
- (b) the Registrar General registers an instrument of transfer after being satisfied that the non-Seychellois has been granted sanction pursuant to the Immovable Property (Transfer Restriction) Act, Cap. 95;
- (c) the Registrar General is in possession of any instrument, deed, judgment, document or information that causes the Registrar General to conclude that the person should be registered in the register.

(2) The Registrar General shall give notice in writing of such registration to the person at the person's last known address or by electronic delivery but any failure to do so or to serve the notice or to be served with the notice shall not absolve the person from any obligation under this Act.

(3) A person registered on the register pursuant to subsection (1) shall obtain a certificate of registration from the Registrar General and the certificate shall be conclusive evidence of registration in the register.

(4) A person liable as taxpayers under section 6(1) cannot rely on this section as a lawful excuse for failing to apply to the Registrar General pursuant to section 13 to be registered in the register of non-Seychellois immovable property owners.”

Amendment of section 15

6. Section 15 of the principal Act is amended —

- (a) by repealing subsection (5) and substituting therefor the following —

“(5) A taxpayer shall be given a notice of acceptance or an amended notice of acceptance of the valuation if the Chief Valuation Officer finds the valuation made under subsection (1) or (2) to be materially sufficient.”

- (b) in subsection (7) by repealing the word “Minister” and substituting therefor the words “Minister responsible for land”;

- (c) in subsection (9) by —

(i) repealing the words “subsection (7)” and substituting therefor the words “subsection (8)”

(ii) repealing the words “Chief Valuation Officer” and substituting therefor the words “Commissioner General”;

- (d) by inserting immediately after subsection (9) the following new subsection —

“(10) Nothing in this section shall be construed as preventing a taxpayer from submitting a new valuation within 5 financial years.”

Insertion of new section 15A.

7. The principal Act is amended by inserting immediately after section 15 the following as section 15A. —

“Valuation may be made in Seychelles Rupees or a foreign currency

15A.(1) A taxpayer may make a valuation of immovable property in Seychelles Rupees (SCR) or a foreign currency and submit the valuation to the Chief Valuation Officer.

(2) Where a valuation officer makes a valuation pursuant

to section 17, the notice of valuation shall be given in Seychelles Rupees (SCR).

(3) Where the valuation of immovable property is made in a foreign currency by the taxpayer, the Chief Valuation Officer and the Commissioner General may determine the immovable property tax payable by the taxpayer —

(a) by converting the foreign currency to Seychelles Rupees (SCR), using the daily weighted trading exchange rates of the Central Bank of Seychelles on the date of receipt of the valuation; and

(b) in each subsequent year whilst the valuation is valid, by converting the foreign currency to Seychelles Rupees (SCR), using the daily weighted trading exchange rates of the Central Bank of Seychelles on 1 January.

(4) Notwithstanding subsection (3)(b), the Chief Valuation Officer and the Commissioner General shall use the daily weighted trading exchange rates of the Central Bank of Seychelles on 1 April 2021 for tax payable in the financial year of 2021.”

Amendment of section 26

8. Section 26 of the principal Act is amended —

(a) in subsection (1) by repealing the words “transfer, surrender or lease immovable property” and substituting therefor the words “sell, transfer or lease immovable property”;

(b) in subsection (2) by repealing the words “a transfer or surrender” and substituting therefor the words “a transaction”.