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27 May 2015

TARIFF (AMENDMENT) BILL, 2015

Arrangement of Sections

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TARIFF (AMENDMENT) BILL, 2015

A BILL FOR AN ACT TO AMEND THE TARIFF ACT

Enacted by the Parliament of The Bahamas

1. Short title.

This Act may be cited as the Tariff (Amendment) Act, 2015.

2. Amends the First Schedule to No. 27 of 2013.

The First Schedule to the Tariff Act is amended —

- (a) by deleting the Tariff Code Heading/Subheading “1901.9000” and all entries corresponding thereto and substituting therefor the following —

“

TARIFF CODE Heading/ Subheading	ARTICLE DESCRIPTION	RATES OF DUTY			UNIT OF MEASUREMENT
		General Rate	Maximum Variable Rate	Applicable Preferential Rate	
1901.90	-- Other:				
1901.9010	--- Malt extract, not containing cocoa or containing less than 40% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included.	Free	---	---	lb.
1901.9090	--- Other	40%	---	---	lb.

”.

- (b) by deleting the Tariff Code Heading/Subheading “3824.9000” and all entries corresponding thereto and substituting therefor the following —

“

TARIFF CODE Heading/ Subheading	ARTICLE DESCRIPTION	RATES OF DUTY			UNIT OF MEASUREMENT
		General Rate	Maximum Variable Rate	Applicable Preferential Rate	
3824.90	-- Other:				
3824.9010	--- Potting soil	25%	---	---	lb.
3824.9090	--- Other	45%	---	---	lb.

”;

- (c) by deleting the Tariff Code Heading/Subheading “9503.0000” and all entries corresponding thereto and substituting therefor the following —

“

TARIFF CODE Heading/ Subheading	ARTICLE DESCRIPTION	RATES OF DUTY			UNIT OF MEASUREMENT
		General Rate	Maximum Variable Rate	Applicable Preferential Rate	
9503.00	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; reduced-size (“scale”) models and similar recreational models, working or not; puzzles of all kinds:				
9503.0010	--- Tricycles	Free	---	---	No.
9503.0090	--- Other	45%	---	---	No.

”;

- (d) by deleting the words “35%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “1209.1000”; “1209.2100”; “1209.2200”; “1209.2300”; “1209.2400”; “1209.2500”; “1209.2900”; “1209.3000”; “1209.9100”; “1209.9900”; and substituting therefor the word “Free”;
- (e) by deleting the words “40%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “1902.2000” and substituting therefor the word “Free”;
- (f) by deleting the words “30%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “1602.5030” and substituting therefor the word “Free”;
- (g) by deleting the words “30%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “1702.9030” and substituting therefor the words “10%”;

- (h) by deleting the words “40%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “2001.1000”; “2001.9040”; “2001.9050”; “2001.9070”; “2001.9080”; “2001.9090”; “2003.1000”; “2003.9000”; “2004.1000”; “2004.9030”; “2004.9090”; “2005.1020”; “2005.1090”; “2005.2000”; “2005.6000”; “2005.7000”; “2005.8000”; “2005.9100”; “2005.9930”; “2005.9990”; “2006.0000”; and substituting therefor the words “25%”;
- (i) by deleting the words “45%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “2201.1010”; “2201.9090”; “2853.0010”; and substituting therefor the words “100%”;
- (j) by deleting the words “60%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “2201.1090” and substituting therefor the words “100%”;
- (k) by deleting the words “75%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “2201.9010” and substituting therefor the words “100%”;
- (l) by deleting the words “35%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “2522.1000”; “2522.2000”; “2522.3000”; “3808.9910”; “3808.9920”; and substituting therefor the words “10%”;
- (m) by deleting the words “35%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “3808.9990” and substituting therefor the words “25%”;
- (n) by deleting the words “45%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “3926.2000”; “7117.1100”; “7117.1900”; “7117.9000”; and substituting therefor the words “20%”;
- (o) by deleting the words “45%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “4015.1100” and substituting therefor the words “10%”;
- (p) by deleting the words “35%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “4015.9010” and substituting therefor the words “20%”;
- (q) by deleting the words “45%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “4411.1200”; “4411.1300”; “4411.1400”; “4411.9200”; “4411.9300”; “4411.9400”; and substituting therefor the words “5%”;

(r) by deleting the words “45%” appearing in the column “General Rate” corresponding to Tariff Code Heading/Subheading “8531.1000” and substituting therefor the words “Free”;

(s) in Chapter 98 —

(i) by inserting, immediately after Note 6 of the Chapter Notes, the following notes —

“6A. The following conditions pertain to the use of the classification code(s) in **Subheading 981A.0010** —

(a) In the case of a returning resident who, having been absent from The Bahamas for two consecutive years or more is returning to The Bahamas for permanent residence and —

(i) is retired; or

(ii) had been in full-time employment at some time during the period of absence; or

(iii) had been enrolled full-time in a course of study in a post-secondary school at sometime during the period of absence,

the general exemption applies to —

(aa) all household effects, books, apparel, footwear, articles of personal adornment, toilet articles and other articles and effects not intended for sale nor for the purpose of any business, being articles and effects brought into The Bahamas by the resident up to a limit in value of \$10,000.00; and

(bb) one vehicle up to a limit in value of \$30,000.00.

(b) A returning resident is not entitled to the general exemption more than once in every 5 years.

(c) “**Returning resident**” means a person returning from a journey outside The Bahamas, who prior to his departure from The Bahamas on that journey was a citizen or permanent resident of The Bahamas.

6B. The following condition(s) pertain to the use of the classification code in **Subheading 9812.0012** —

(a) The importation of original pieces and works of art is subject to the approval of the Minister on

the recommendation of the Director appointed under the National Art Gallery of The Bahamas Act (*Ch. 51A*);

- (b) Use of this exemption ends on the 30th June, 2016.”;
- (ii) in Note 7(a) (28) of the Chapter Notes, by deleting the words “Audio Equipment” and substituting therefor the words “Audio and Audio-visual equipment”;
- (iii) by inserting, immediately after Note 8 of the Chapter Notes, the following —
 - “8A. The following conditions apply to the use of the classification code in Subheading 98.58 —
 - (a) Use of this exemption requires prior approval of the Minister.
 - (b) Not less than \$3,000 in value, for the construction, renovation, repair or upgrade of residential premises not more than 1,500 sq. feet.
 - (c) Not less than \$5,000 in value, for the construction, renovation, repair or upgrade of commercial premises not more than 6,000 sq. feet with the exception of Family Island new commercial construction.
 - (d) Use of this exemption is available only for the period commencing 1st July, 2015 and ending 30th June, 2017.”;
- (iv) by inserting in the appropriate numerical sequence the following Tariff Headings and corresponding entries —

“

TARIFF CODE Heading/ Subheading	ARTICLE DESCRIPTION	RATE OF DUTY
98.1A	General exemption for goods imported as cargo.	
981A.0010	Returning residents who meet the conditions specified in Note 6A to this Chapter	Free
9812.0012	Original pieces and works of art approved by the Minister and which meet the conditions specified in Note 6B to this Chapter	Free
9816.0010	Medical equipment for use in facilities, including veterinarian and dental facilities, that provide services to the public	Free

98.57	Processing Machinery for use in the recycling of waste, with the approval of the Minister.	
9857.0000	Processing Machinery for use in the recycling of waste, with the approval of the Minister	Free
98.58	For buildings situated in such part of New Providence or any other area in the Commonwealth of The Bahamas as the Minister may declare by Order, building materials and supplies .	
9858.0010	Where the conditions specified in Note (8A) (b) to this chapter are met	Free
9858.0020	Where the conditions specified in Note (8A) (c) to this chapter are met	Free

”

OBJECTS AND REASONS

This Bill seeks to amend the Tariff Act (*No. 27 of 2013*) to —

- (a) reduce the duty on: pesticides, gloves and mittens, malt extract (milo), canned and frozen vegetables, sowing seeds, potting soil, particle boards, table syrup, stuffed pasta, bicycles, tricycles, custom jewellery, construction lime, surgical gloves, catheters; and
- (b) to increase the duty on natural or spring water, mineral water, and distilled water.

Clause 1 of this Bill sets out the Short title.

Clause 2 of this Bill seeks to adjust the excise duty on motor vehicles so that all values attract a duty rate of sixty-five per cent. Clause 2 also amends the Act so that medical equipment for medical institutions that serve the public can be imported duty free. It allows for duty exemption on original artwork once verified by the Director of the National Art Gallery and provides that taxis and liveries (franchise) three years or less qualify for duty exemption. Clause 2 amends the Act to adjust concessions granted to returning residents and permits churches to import visual equipment duty free. It also provides duty exemption on processing machinery for use in the recycling of waste.