

[Legal Notice No. 71]

THE STAMP DUTIES ACT
(Cap. 64)

THE STAMP DUTIES (AMENDMENT) ORDER 1998

IN exercise of the powers conferred by section 3 of the stamp Duties Act, I, MANASSEH SOGAVARE, Minister Finance, do hereby make the following order -

1. This Order may be cited as the Stamp Duties (Amendment) Order 1998.

2. The Schedule to the Stamp Duties Act is hereby deleted and the following new Schedule is substituted therefor -

Person primarily liable.

1. Agreement or Memorandum of Agreement (other than a policy of insurance or contract of personal service), whether the same be only evidence of a contract, or obligatory upon the parties from its being a written instrument -

All instruments \$50.00

The parties thereto.

Where the instrument is a memorandum of association of a company or a notice of increase of share capital the duty thereon shall be 1% of the authorised capital or the increase in the authorised capital, as the case may be:

Provided that the total duty payable in any case shall not exceed \$20,000.00.

The insurer.

2. Policy of insurance executed in Solomon Islands exclusively upon any life or lives, or exclusively upon any event or contingency relating to or depending upon any life or lives, but not being a policy of insurance against death by accident only -

Per instrument \$50.00

In this item, "policy of insurance" includes any document whereby any contract of insurance or assurance is made, or agreed to be made or evidenced or whereby the amount of cover under any such contract is increased, but does not include any document which extends, or agrees to extend or evidence any extension of the period during which cover is afforded under any such contract.

The person by whom the goods are consigned.

3. Bill of Lading or Receipt of or for any goods, merchandise or effects to be carried to any place beyond Solomon Islands -

	Negotiable copy of Bill of Sale	\$50.00	
	Receipt and each copy	\$0.50	
4.	Bill of Exchange -		The drawer or acceptor.
(1)	Payable on demand, or at sight or on presentation	\$0.50	
(2)	Payable otherwise than on demand, sight or on presentation, drawn or expressed to be payable in or actually paid or endorsed or in any manner negotiated in Solomon Islands	1%	
(3)	Any purchase of foreign exchange exceeding \$300.	\$3.00	
(a)	Bill of Exchange issued by any Bank for Government purposes to the Chief Accountant.		
(b)	Cheque or order payable on demand drawn on any bank or firm out of Solomon Islands.		
5.	Bill of Sale -		The assignee.
	For every Bill of Sale (Except a bill of sale which is a security for money.)	\$50.00	
6.	Deed of any kind not otherwise charged	\$50.00	The parties thereto.
7.	Promissory Note of any kind - (Except a Bank Note or Currency Note or Promissory Note issued by any Bank for Government purposes to the Chief Accountant).		The drawer or acceptor.
	For every \$100 and for every fractional part of \$100.00	1%	
8.	On a grant of estate (perpetual or fixed term) in land, a lease, which term includes a sublease or underlease, or any written document for the tenancy or occupancy of any land or buildings -		The grantee, lessee or tenant.
	(1) where the annual rental, or estimated annual rental value is whether or not expressed in monetary terms -		

- (i) exceeds \$200 but does not exceed \$1,000 1.75%
- (ii) exceeds \$1,000 but does not exceed \$10,000 2.25%
- (iii) over \$10,000 2.75%

(2) Where, on the grant of a perpetual estate, fixed term estate or a lease, the consideration includes payment of a premium or other capital sum in addition to or substitution for any rent reserved there under -

Where such premium or capital sum -

- (i) exceeds \$5,000 but does not exceed \$20,000 2.25%
- (ii) exceeds \$20,000 but does not exceed \$50,000 3.25%
- (iii) exceeds \$50,000 4.25%

and such duty shall be in addition to any duty under paragraph (1) of this item.

(3) Variation of the terms of an estate or lease -

When the annual rental or estimated annual rental value in the original estate or lease is increased: the difference between the duty originally paid and the total duty that would be payable as in paragraphs (1) and (2) of this item.

On a charge or mortgage, the chargee or mortgage or the person lodging the instrument for registration; on a bond, the obligor; on a debenture, the person issuing; on a covenant, the parties to the covenant, or any of them. Transfer or assignee.

9. Charge, Mortgage, Bond, Debenture or Covenant -

(1) Being the only or principal security, or being a collateral or auxiliary or additional or substituted security or by way of further assurance where the principal or primary security in the like or greater sum has not already been stamped under this paragraph, for the payment or repayment of any money or money's worth and

shall include Bills of Sale registrable under the Bills of Sale Act -

All amounts exceeding \$1,000.00 1%

(2) Transfer or assignment of any charge, mortgage, bond, debenture or covenant: for the amount transferred or assigned exclusive of the interest not in arrear, the same rate of duty as in paragraph (1) of this item.

(3) Being a collateral or auxiliary of additional or substituted security or by way of further assurance for the payment or repayment of any money or money's worth where the principal or primary security in the like or greater sum has already been stamped under paragraph (1) of this item. 1%

Chargee, mortgagee etc.

(4) Variation of the terms of a charge, mortgage, bond, debenture or covenant -

Where the monetary values secured in the original charge, mortgage bond, debenture or covenant is increased: the duty payable shall on the increased sum at the rate specified in paragraph (1) or paragraph

(3) of this item.

(5) Discharge of a charge, mortgage, bond, debenture or covenant. \$50.00

10. Power of Attorney \$50.00

The donor

11. Transfer (other than transfer otherwise specifically charged) of any property whatsoever or of any interest therein, upon the consideration (not being a nominal consideration) or, when there is no or a nominal consideration, upon the amount or value of the property or interest transferred _

The transferee

(i) where the consideration or amount exceeds \$10,000 but does not exceed \$25,000 2%

- | | | |
|-------|---|----|
| (ii) | where the consideration or amount exceed \$25,000 but does not exceed \$50,000 | 3% |
| (iii) | where the consideration or amount exceeds \$50,000 | 4% |

Where the consideration or amount is in respect of the transfer of shares in a limited liability company, the words "\$10,000" appearing in paragraph (1) shall be read and construed as if there were substituted for those words the words "\$100.":

Provided that no conveyance or transfer made for effectuating the appointment of any new trustee or trustees or the retirement of any trustee or trustees, whether the trust is expressed or implied, or under which no beneficial interest passes in the property conveyed or transferred, or to a beneficiary by a trustee or other person in a fiduciary capacity under any trust, whether express or implied, shall be liable to the duty hereby imposed and this proviso shall have effect notwithstanding that the circumstances exempting the conveyance or transfer from such duty are not set forth in the conveyance or transfer:

Provided further that nothing herein shall be deemed to exempt any instrument from liability to any other duty to which it may be liable under this or any other Act relating to stamp duties.

EXEMPTIONS

(a) Any instrument dedicating a free and perpetual right-of-way to the use of the public, and not containing any provision by which such instrument could otherwise be liable to duty.

(b) Any transfer of property to or in trust for any corporation or body or persons associated for religious, charitable or educational purposes; and any instrument for declaring or defining the trust or for appointing new trustees in respect of such property.

GENERAL EXEMPTIONS FROM STAMP DUTY

(1) Every document in respect of which, but for this exemption, Her Majesty or the Solomon Islands Government would be the sole party liable to pay duty.

(2) All bonds to Her Majesty or to the Solomon Islands Government including the bonds of executors and administrators.

(3) Every instrument to such extent as expressly exempted under the following Acts -

The Local Government Act, (Cap. 14);

The Home Finance Corporation Act, 1989 (No. 15 of 1989);

The Co-operative Societies Act, (Cap. 73);

The Livestock Development Authority Act, 1977 (no. 1 of 1977);

The Provincial Government Act, 1997 (no. 7 of 1997);

The Solomon Islands National Provident Fund Act, 1973 (no. 3 of 1973);

The Central Bank of Solomon Islands Act 1976 (No. 4 of 1976);

The Investment Corporation of Solomon Islands Act, 1988; (No. 6 of 1988);

The Development Bank of Solomon Islands Act, 1977 (No. 19 of 1977);

(4) Every document signed or executed for or on behalf of the Government of Solomon Islands in connection with the raising of loans for or on behalf of the Government.

Date at Honiara this twenty-fifth day of June 1998.

MANASSEH D. SOGAVARE
Minister of Finance