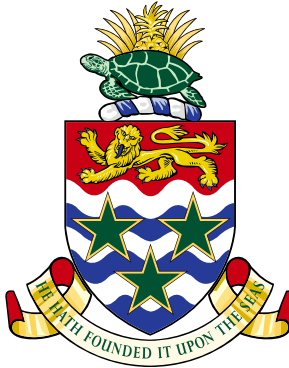


**CAYMAN ISLANDS**



# **TAX COLLECTION LAW**

**(1998 Revision)**

**Supplement No. 8 published with Gazette No. 5 of 2nd March, 1998.**

## PUBLISHING DETAILS

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Consolidated with Laws 23 of 1964, 40 of 1966, 7 of 1971, 16 of 1973 (part), 8 of 1976 (part), 20 of 1977, 22 of 1981, 40 of 1985, 14 of 1986, 20 of 1990 (part) and 4 of 1997 (part).

Revised under the authority of the *Law Revision Law (19 of 1975)*.

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Cap. 163-1st January, 1964  
Law 23 of 1964-17th December, 1964  
Law 40 of 1966-1st November, 1966  
Law 7 of 1971-15th December, 1970 (sic)  
Law 16 of 1973-25th October, 1973  
Law 8 of 1976-25th June, 1976  
Law 20 of 1977-10th November, 1977  
Law 22 of 1981-13th October, 1981  
Law 40 of 1985-23rd December, 1985  
Law 14 of 1986-2nd September, 1986  
Law 20 of 1990-6th September, 1990  
Law 4 of 1997-24th March, 1997.

Consolidated and revised this 6th day of January, 1998.

*Note (not forming part of the Law): This revision replaces the 1995 Revision which should now be discarded.*



CAYMAN ISLANDS



TAX COLLECTION LAW  
(1998 Revision)

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**CAYMAN ISLANDS****TAX COLLECTION LAW****(1998 Revision)****Short title**

1. This Law may be cited as the *Tax Collection Law (1998 Revision)*.

**Appointment of Collectors of Taxes**

2. (1) The Governor may appoint a Collector of Taxes, hereinafter called the Collector, one for Grand Cayman and another for Cayman Brac and Little Cayman and as many Assistants to each such Collector as may be necessary, to hold office during pleasure, and be entitled to receive such salaries or remuneration for their services as may be fixed from time to time by the Legislative Assembly.  
(2) On the death, resignation or other incapacity of any Collector or Assistant Collector the Governor may appoint temporarily some proper person to act in his stead.

**Rules, how made**

3. The Governor in Council may prescribe, from time to time, Rules for the guidance of Collectors and their Assistants and may also fix, for any breach of the said Rules, a penalty not exceeding ten dollars.

**Enforcement of penalties**

4. All penalties under this Law, or fixed by Rules made under section 3, may, in default of payment, be recovered in the Summary Court and the Court may order costs in the cause and that the defendant be imprisoned for a term not exceeding three months.

**Duration of licence**

5. Each licence, except as hereinafter stated, remains in force from the first day of January in each year, or from the day on which it was granted until the following thirty-first day of December.

**As to duty in respect of property acquired after January in any year**

6. Tax must be paid upon property coming into possession of persons after the first day of January in each year, for the proportional part of the year, such proportion of duty to be computed from the first day of the quarter during which the possession commenced at the rate of one-fourth of the whole annual duty for each quarter or fractional part of a quarter of each year:

Provided that the duty on any taxable property is not recoverable more than once in any calendar year.

**Property of inmate of family, principal liable for duties**

7. Whenever any property liable to any tax or duty under this Law belongs to or is held in trust for any person who is an inmate or member of a family, the head or principal member of such family is responsible for the payment of the taxes or duties thereon, and liable to the penalties in respect thereof.

**Payment of duties by moieties**

8. (1) Whenever the duties imposed amount to or exceed the sum of four dollars, they may be paid by moieties, the first on or before the tenth day of January, and the second on or before the following tenth day of July.
- (2) Whenever the duties imposed amount to or exceed eight dollars, they may be paid in four instalments, the first on or before the tenth day of January and the other instalments on or before, respectively, the tenth days of April, July and October.
- (3) Upon payment of the first moiety or quarter part the Collector is to grant the licence required and similarly upon the payment of the other moiety or quarter parts.
- (4) The duties to be paid by moieties or quarter parts are to be entered and registered by the Collector separately and apart from those paid in full; and the licences issued and granted for moieties or quarter parts shall be so inscribed on the top and along the margin respectively.



**False declaration: penalty**

9. Whoever wilfully makes a false declaration in respect of any matter required by this Law is liable on summary conviction to a fine of fifty dollars or to imprisonment for three months.

**Remission, in part or whole of duties to indigent person**

10. (1) Whenever it comes to the knowledge of any Collector or Assistant Collector that any person in possession of property liable to taxation under this Law is poor and indigent and unable to pay the taxes or duties, or cannot afford to pay more than a portion of such tax or duties, he shall refrain from enforcing the payment of taxes or duties, or any portion thereof, until he has transmitted to the Governor a statement of the case in which he shall give the name of the person, the amount due by him for taxes or duties and any evidence he may have of the poverty of such person or his inability to pay the whole of the tax or duty with which he is charged.
- (2) The Governor, in every case, may institute such further inquiry as he considers necessary and, after consultation with the auditors, may remit a portion or the whole of the taxes or duties then due.

**Process when no ingiving is made**

11. (1) When no return in respect of the taxes and duties or any of them is made to the Collector or other authorised officer, such officer is to assess the person neglecting to make such return to the best of his judgment, according to such information as he may be able to obtain, and may add thereto one-fourth part of such taxes or duties as a surcharge or penalty, and deliver to the person assessed, or leave at his usual or last known place of abode, a statement of such taxes and duties, and surcharge, if any; and if within ten days after such service, the person so charged has not made a return as required and paid the taxes or duties for which, by such return, he appears liable, together with a sum equal to one-fourth of such taxes or duties, the assessment becomes binding and conclusive upon the person charged.
- (2) Where the taxes or duties are made payable by moieties or quarter parts, the surcharge, if any, must be paid with the first moiety or quarter part.

**Recovery of unpaid taxes**

12. (1) All taxes, duties and arrears required to be paid to the Collector, and not paid to him in accordance with this Law, as well as any surcharge thereon, are to be recovered by the Collector in the Summary Court; and in case of non-payment, may be enforced by distress and sale of the defaulter's goods or imprisonment three months, unless such taxes duties, arrears, and the costs, are sooner paid.



- (2) No judgment or imprisonment under this section precludes the Collector from proceeding by distress for the said taxes, duties or arrears, and surcharges and costs, if any, at any time, until full payment has been made to the Government.
- (3) Nothing in any law relating to summary proceedings precludes the Collector from proceeding by distress, or under subsection (1), for the recovery of the said taxes, duties, arrears and surcharge, at any time, until full payment has been made to the Government.

### **Application of Landlord and Tenants Law (R) to distresses for taxes, etc.**

- 13.** All the rules and regulations, clauses, provisions, penalties, matters and things contained in Part II of the *Landlord and Tenants Law (Revised)* extend, and are construed to extend, and be applied and put in execution so far as the same are applicable and capable of being put in execution with respect to any distresses or levy which shall be made for any rates, taxes, impositions or assessments whatsoever, in all cases where the sum demanded and due for or in respect of such taxes, rates, assessments or impositions do not exceed the sum of forty dollars, and in all cases where the whole of the several sums sought to be levied by distresses taken for any such taxes, rates, assessments or impositions at the same time do not exceed the sum of forty dollars, and the scale or fees specified in the Schedule shall be the scale of fees for levying taxes in lieu of the costs and charges on distresses set out in the First Schedule to the *Landlord and Tenants Law (Revised)*.

### **Records to be kept by Collector**

- 14.** (1) Each Collector and Assistant Collector shall —
- (a) keep, in a book to be provided by the Governor for the purpose, a record of every person liable for taxes or duties and of the taxes or duties paid by such persons;
  - (b) fill up, in consecutive order, in the book to be for that purpose furnished to him, and in which book the licence and counterfoils thereof shall be numbered from 1 onwards, each licence granted by him, and also insert the particulars thereof in the counterfoil of each licence, and shall cut out and deliver to each person paying the taxes and duties the licence for the same; and also transcribe particulars thereof in such book;
  - (c) make, on the last day of each month, a statement of the taxes received by him during such month, showing the names of the taxpayers, their places of residence, and the numbers of the licences issued by him, and pay to the Treasurer the amount of taxes and duties received; and
  - (d) make, within ten days of the close of each year, and forward to the Governor, after having declared to the correctness of the same before a Justice, a statement showing the names in alphabetical order of all taxpayers and the amounts paid by each.





- (2) The book of record and the annual return are open to the inspection of the public.

**Collector shall assist in filing forms**

15. The Collector is to give such reasonable assistance in the filling up of the forms by which the taxes or duties are receivable by him, as may be required from him by any taxpayer.

**Neglect of duty by Collector: penalty**

16. For every neglect of duty, a Collector or Assistant Collector is liable to pay a fine of ten dollars upon formal charges being preferred by the Governor in writing against him, and proven to the satisfaction of the Legislative Assembly, and there shall be deducted from any salary or commission payable to such defaulting officer, the amount of the penalty inflicted for every such neglect or default. The Collector or Assistant Collector in such case has a right to appeal to the Grand Court, whose decision shall be final.

**Action against Collector**

17. (1) Any action or prosecution against any person for anything done in pursuance or execution of this Law relating to the collection of taxes or duties is to be commenced within six months after the thing was done and not otherwise.
- (2) Notice in writing of any such action and the cause thereof must be given to the intended defendant, one month at least before the commencement of the action.
- (3) If a verdict passes for the defendant, he is entitled to recover his full costs, and though a verdict be given for the plaintiff he shall not have costs against the defendant, unless the court certifies approbation of the action.

**Portion of penalty to informer**

18. A court adjudicating under this Law may award to an informer a sum not exceeding a moiety of the penalty imposed.





## SCHEDULE

(Section 14)

### Fees

	Cents
For making a levy by a bailiff specially employed	25
For making a levy by a runner	15
For every mile travelled from the Collector's office to the place of levy by a bailiff, not being an officer permanently employed in the Finance Department	3
For the keep and care of every head of horsekind, horned stock and asses (except followers)	per day 10
For the keep and care of every sheep, hog or goat (except followers)	per day 5
For the keep and care of every head of poultry	per day 1
For bailiff in possession of levy if other than livestock and not removed	per day 20
For sale of levy, and other expenses, not enumerated	5% on produce of sale
In every case, in addition to the above fees, the actual expenses of removing and storing the levy, on the Collector of Taxes certifying that such expenses are reasonable, and necessarily incurred.	



**Publication in consolidated and revised form authorised by the Governor in Council  
this 6th day of January, 1998.**

**Carmena H. Parsons**  
*Clerk of Executive Council*

