

TURKS AND CAICOS ISLANDS
EMERGENCY POWERS (COVID-19)(ECONOMIC
RELIEF MEASURES) REGULATIONS 2020

ARRANGEMENT OF REGULATIONS

(Legal Notice 28 of 2020)

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EMERGENCY POWERS (COVID-19)(ECONOMIC RELIEF MEASURES) REGULATIONS 2020

(Legal Notice 28 of 2020)

MADE by the Governor under section 4(1) of the Emergency Powers Ordinance and article 6(1) of the Emergency Powers (Overseas Territories) Order 2017 (*S. I. 2017 No. 181*), having consulted the Cabinet.

Citation, commencement and expiry

1. (1) These Regulations may be cited as the Emergency Powers (COVID-19)(Economic Relief Measures) Regulations 2020 and shall come into operation on 2 April 2020.

(2) These Regulations shall expire at the end of six months from the date of commencement unless extended by the Governor for a specified further period in any particular case, by Notice published in the *Gazette*.

Interpretation

2. In these Regulations—

“medium enterprise” has the same meaning given under section 2 of the Micro, Small and Medium Enterprises Development Ordinance;

“micro enterprise” has the same meaning given under section 2 of the Micro, Small and Medium Enterprises Development Ordinance;

“small business” has the same meaning given under section 2 of the Micro, Small and Medium Enterprises Development Ordinance;

“small enterprise” has the same meaning given under section 2 of the Micro, Small and Medium Enterprises Development Ordinance;

“tax”—

(a) in relation to a hotel, means the tax imposed by section 6(1) of the Hotel, Restaurant and Tourism (Taxation) Ordinance.

- (b) in relation to a designated restaurant, means the tax imposed by section 28(9) of the Hotel, Restaurant and Tourism (Taxation) Ordinance.
- (c) in relation to a tourism service, means the tax imposed by section 30(1) of the Hotel, Restaurant and Tourism (Taxation) Ordinance.

Payment of annual business licence fee and other fees deferred

3. (1) Notwithstanding any to the contrary contained in any other law, in respect of the renewal of licence for the year 2020/2021, payment of the following fees is deferred until 31st July 2020—

- (a) business licence fees;
- (b) sport and fishing licence fees;
- (c) National Parks licence fees;
- (d) boat or vessel registration fees;
- (e) mooring fees;
- (f) captain's licence fees;
- (g) radio and inspection fees.

(2) No interest or penalty shall be incurred in respect of the renewal of licence for the year 2020/2021 if the annual renewal fee is paid in full on or before 31st July 2020.

Relief for accommodation tax

4. (1) Notwithstanding anything to the contrary contained in section 13(1) of the Hotel, Restaurant and Tourism (Taxation) Ordinance—

- (a) the payment of any tax (accommodation tax) due and payable under that section on the 21st April 2020 is waived;
- (b) the payment of any tax (accommodation tax) due and payable under that section on 21st May 2020 and 21st June 2020 shall be deferred until 21st July 2020.

(2) No penalty shall be incurred in respect of the payment of taxes under subregulation (1)(b) if the taxes are paid in full on or before 21st July 2020.

(3) In order to be considered for the waiver of tax, a proprietor shall submit an application to the Permanent Secretary Finance together with the following—

(a) proof that a remittance of tax was made during February 2020; and

(b) proof of the number of its employees currently on full pay, terminated or on reduced hours.

(4) In this regulation “proprietor” has the meaning giving under section 2(1) of the Hotel, Restaurant and Tourism (Taxation) Ordinance.

Relief for restaurant tax

5. (1) Notwithstanding anything to the contrary contained in section 28(15) of the Hotel, Restaurant and Tourism (Taxation) Ordinance—

(a) the payment of any tax (restaurant tax) payment due and payable under that section on the 21st April 2020 is waived;

(b) the payment of any tax (restaurant tax) due and payable under that section on 21st May 2020 and 21st June 2020 shall be deferred until 21st July 2020.

(2) No penalty shall be incurred in respect of the payment of taxes under subregulation (1)(b) if the taxes are paid in full on or before 21st July 2020.

(3) In order to be considered for the waiver of tax, a proprietor shall submit an application to the Permanent Secretary Finance together with the following—

(a) proof that a remittance of tax was made during February 2020; and

(b) proof of the number of its employees currently on full pay, terminated or on reduced hours.

(4) In this regulation “proprietor” has the meaning giving under section 28(19) of the Hotel, Restaurant and Tourism (Taxation) Ordinance.

Relief for tourism service tax

6 (1) Notwithstanding anything to the contrary contained in section 30(6) of the Hotel, Restaurant and Tourism (Taxation) Ordinance—

(a) the payment of any tax (tourism service tax) due and payable under that section on the 21st April 2020 is waived;

(b) the payment of any tax (tourism service tax) due and payable under that section on the 21st May

2020 and 21st June 2020 shall be deferred until 21st July 2020.

(2) No penalty shall be incurred in respect of the payment of taxes under subregulation (1)(b) if the taxes are paid in full on or before 21st July 2020.

(3) In order to be considered for the waiver of tax, designated tourism service provider shall submit an application to the Permanent Secretary Finance together with the following—

- (a) proof that a remittance of tax was made during February 2020; and
- (b) proof of the number of its employees currently on full pay, terminated or on reduced hours.

(4) In this regulation “designated tourism service provider” has the meaning giving under section 30(13) of the Hotel, Restaurant and Tourism (Taxation) Ordinance.

Reduction on stamp duty

7. Notwithstanding anything to the contrary contained in section 4 of the Stamp Duty Ordinance, for a period of three months commencing 1st April 2020 stamp duty payable under Head 2 in Schedule 1 to the Stamp Duty Ordinance (conveyance on sale of immovable property) shall be reduced by 50%:

Provided that the transaction is completed during that period.

Reduction on planning fees

8. Notwithstanding anything to the contrary contained in the Physical Planning Ordinance, for a period of three months commencing 1st April 2020 the application fee payable under the Physical Planning Ordinance shall be reduced by 50% on the following—

- (a) application for grant of outline development permission;
- (b) application to change the use of building or detailed development permission;
- (c) application to subdivide.

Write off of outstanding amounts for water and waiver of charges

9. Notwithstanding anything to the contrary contained in section 52 of the Public Finance Management Ordinance, all outstanding amounts owing to the Government, as at 31st March

2020 for the supply of water to any premises on Grand Turk, Salt Cay and South Caicos, shall be written off.

(2) No charge shall be levied by the Government for the supply of water to any premises on Grand Turk, Salt Cay or South Caicos during the period 1st April 2020 to 30th June 2020.

(3) No disconnection for unpaid water bill shall be carried out during the period April 2020 to June 2020.

Cash grants to employees in hospitality industry

10. (1) Subject to such eligibility criteria as determined by the Minister of Finance, employees in the hospitality industry may be eligible for a one off cash grant of \$1,200.

(2) In order to be considered for the cash grant, an employee in the hospitality industry shall submit to the Permanent Secretary, Finance, using the email provided by the Government the following information—

- (a) two forms of Government issued ID;
- (b) a copy of the last employment payslip;
- (c) national insurance number;
- (d) banking details; and
- (e) proof of residency in the Islands.

(3) For the purpose of this regulation “employee in the hospitality industry” means working in hotels, villas, restaurants, casinos, cruise lines, cruise ports, yacht clubs, transportation, airlines and other facilities that help customers meet their leisure and recreational needs.

Cash grants to small businesses

11. (1) Subject to such eligibility criteria as determined by the Minister of Finance, a small business may be eligible for a one off cash grant as follows—

- (a) \$2,000 for micro enterprise (maximum of five (5) employees);
- (b) \$3,500 for small enterprise (maximum of nineteen (19) employees);
- (c) \$5,000 for medium enterprise (maximum of twenty-five (25) employees).

(2) The cash grant payable under subregulation (1) is in addition to any benefit or relief that a small business may be eligible to receive under the Micro, Small and Medium Enterprises Development Ordinance.

(3) In order to be considered for the cash grant, a small business shall submit to the Permanent Secretary, Finance, using the email provided by the Government the following information—

- (a) copy of its business licence for 2019/2020; and
- (b) copy of last national insurance contribution paid to February 2020, to show proof of number of employees; and
- (c) bank details.

(4) A small business that is not registered with the National Insurance Board at the date of commencement of these Regulations shall, upon confirmation of such registration, be eligible for a cash grant of \$1,000.

(5) Where a business is owned and operated by a sole proprietor, on whose behalf national insurance contributions are being paid, the business may be eligible for a cash grant of \$2,000.

Moratorium on mortgage payments on existing TC Invest mortgages

12. There shall be a suspension of the mortgage payments and of the accrual of ordinary and default interest on existing TC Invest mortgages during the period April 2020 to September 2020.

Minister of Finance to report to House of Assembly

13. The Minister of Finance shall, as soon as practicable after the expiry of these Regulations, but in any event not later than three months after expiry of these Regulations, submit to the House of Assembly a detailed report specifying—

- (a) the total fees and taxes, which would have, but for the waiver or variation have been payable;
- (b) the total sum written off or abandoned under these Regulations;
- (c) the total sum paid out under these Regulations;
- (d) any other measures taken under these Regulations.

MADE this 2nd day of April 2020.

**NIGEL DAKIN
GOVERNOR**

EXPLANATORY NOTE

(This Note is not part of the Regulations)

These Regulations provide financial relief to individuals and businesses to mitigate the effects of the economic downturn on individuals and businesses in the Islands, owing to measures implemented in order to prevent, control and minimize the spread of the coronavirus.

The Regulations modify various Ordinances to provide for waiver of or reduction in payment of certain taxes, charges and fees.