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PROPERTY TAX ACT

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CHAPTER 81:21

PROPERTY TAX ACT

19 of 1962 **An Act to provide for the levy of taxes computed by reference to property.**

[17TH NOVEMBER, 1962]

PART I

SHORT TITLE, COMMENCEMENT AND INTERPRETATION

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| Short title. | 1. This Act may be cited as the Property Tax Act. |
| Commence-
ment | 2. This Act shall with respect to the Property Tax, be deemed to have come into force with respect to and from the year of assessment commencing on the 1st January, 1962. |
| Interpretation.
[3 of 1966A
17 of 1970
25 of 1971
45 of 1974
6 of 1975] | 3. In this Act—
“acquired” with reference to property, means acquired by purchase, gift, inheritance, or exchange, or in any other manner whatsoever; |

“body of persons” has the same meaning as it has for the Income Tax Act;

c. 81:01

“Commissioner” means the Commissioner charged with the administration of the Income Tax Act;

“company” has the same meaning as it has for the Income Tax Act;

“executor” means any executor, administrator or other person administering the estate of a deceased person;

“local authority” has the same meaning as it has for the Income Tax Act and includes any other institution that may be established under any law for the purpose of local government;

“market value” with reference to any property at any date means the price which could reasonably have been obtained for that property in the open market on that date;

“net property” means the amount by which the aggregate value, computed in accordance with this Act, of the property of any person on the valuation date is in excess of the aggregate value of all the debts owed by him on that date other than—

(a) any debt incurred without consideration, or without full consideration, in money or money’s worth,

(b) any debt incurred which is not wholly for his benefit,

(c) any debt in respect of which there is any right to reimbursement from any other person unless such reimbursement cannot be obtained,

(d) any debt charged or secured on, or incurred in relation to, any property of his which is to be excluded for the purposes of the Property Tax under this Act, and

(e) any debt incurred by him outside Guyana other than any such debt which is contracted to be paid in Guyana or secured on property in Guyana, and account being taken not more than once of the same debt charged upon different portions of property:

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Provided that with respect to and from the year of assessment commencing on 1st January, 1970, in determining the aggregate amount of debts which may be taken into account there shall be included—

c. 85:01 (i) the amount held as deposits (including interest accrued thereon) for depositors by a body corporate licensed under the Banking Act or otherwise authorised by law to carry on banking business in Guyana;
(ii) the amount maintained by an insurance company—

c. 91:02 (a) in the long term insurance fund pursuant to section 23(1) of the Insurance Act in so far as it is sufficient to meet the liability of the company in respect of policies issued by the company in Guyana;
(b) to the satisfaction of the Commissioner for a like purpose as mentioned at paragraph (a) in respect of policies issued elsewhere than in Guyana;

in relation to its long term insurance business;

(iii) the fund (by whatever name called) maintained by a company whose business consists solely of the collection or receipt in Guyana of renewal premiums under policies issued in or outside Guyana prior to the commencement of the Insurance Act to persons ordinarily resident in Guyana and of the making of payments under those policies, in so far as the fund relates to the liability of the company in respect of those policies;

“property” includes immovable and movable property, rights of any kind, whether absolute, conditional, or contingent, and effects of any kind, situate or having their seat in Guyana or elsewhere and the proceeds of sale thereof, and any money or investment for the time being representing them;

“resident” or “resident in Guyana” has the same meaning as it has for the Income Tax Act;

“transfer of property” means any disposition, conveyance, assignment, settlement, delivery, payment or other alienation of property and, without limiting the generality of the foregoing, includes—

- (a) the creation of a trust in property, and
- (b) the grant or creation of any interest in any property;

“valuation date”, in relation to any year of assessment, means the last day of the year preceding that year of assessment;

“year of assessment” means the period of twelve months commencing on the 1st January, 1962 and each subsequent period of twelve months;

“year preceding the year of assessment” means the period of twelve months ending on the 31st December immediately prior to such year of assessment.

PART II

ADMINISTRATION

4. (1) The Property Tax shall be under the care and management of the Commissioner and the officers and persons appointed for the administration of this Act or any other Act under the administration or management of the Commissioner.

Care and
management.
[3 of 1966A]

(2) Any function conferred by this Act upon the Commissioner shall be exercised, as may be necessary, by any officer appointed by him, according as the Commissioner may direct, and references in this Act to the Commissioner shall be construed accordingly.

5. The Commissioner and the officers and persons responsible for the administration of this Act shall, in respect of such administration, *mutatis mutandis*, be subject to section 4 of the Income Tax Act.

Official
secrecy.
c. 81:01

PART III

PERSONS TO WHOM THIS ACT SHALL NOT APPLY

Persons to whom this Act shall not apply.
[3 of 1966A]

6. This Act does not apply to—

- (a) the President;
- (b) any member of the permanent consular services of foreign countries, who is a citizen or subject of the country represented by him;
- (c) any expert, adviser, technician or official of any Government other than the Government of Guyana, whose salary or principal emolument is not payable by the Government of Guyana, employed directly by the said Government or under contract with any public or private organisation in Guyana in connection with a technical co-operation or assistance programme or project;
- (d) any expert, adviser, technician or official whose salary or principal emolument is not payable by the Government of Guyana and who is brought to Guyana by the Government of Guyana through any Specialised Agency of the United Nations or any similar organisation approved by the Minister;
- (e) any official of the United Nations who is resident in Guyana;
- (f) members of any naval, military or air forces of any country other than Guyana who are in Guyana at the request or with the concurrence of the Government of Guyana;
- (g) persons employed in any civil capacity by the Government of any country other than Guyana who, not being persons resident in Guyana for a period exceeding three months immediately prior to the date of commencement of such employment, are so employed in, or visit, Guyana for any purpose connected with such members of any naval, military or air forces as are referred to in paragraph (f);

(h) any trainee from abroad who is sent to Guyana under any Technical Co-operation Programme of the United Nations and its Specialised Agencies, or of any similar organisation approved by the Minister;

(i) any local authority;

(j) any statutory or registered building or friendly society;

(k) any ecclesiastical, charitable, or educational institution or endowment of a public character within Guyana, or elsewhere as may be approved by the Minister, in respect of property other than property used in the carrying on of any trade or business which is not incidental to the main purpose of such institution or endowment:

Provided that—

(a) the carrying on of a school, college or university otherwise than for private gain shall not for the purpose of this paragraph be held to be the carrying on of a trade or business;

(b) a fair or fairs shall not be deemed to be a trade or business for the purposes of this paragraph unless the number of days on which such fair is held, or the aggregate number of days on which such fairs are held, exceeds seven days in the year immediately preceding any year of assessment;

(l) the Guyana Post Office Savings Bank;

(m) the Transport and Harbours Department;

(n) the administrators of the Widows and Orphans' Pension Fund for public officers of Guyana;

(o) the Central Housing and Planning Authority constituted under the Housing Act; c. 36:20

(p) the Catholic Hospital (Incorporated);

(q) the medical clinic or hospital carried on by the Guyana Mission of Seventh Day Adventists, the income of which is exempt from income tax under section 13 of the Income Tax Act; c. 81:01

(r) the Guyana Credit Corporation;

(s) the Guyana Rice Marketing Board;

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- (t) the Sugar Industry Price Stabilisation Fund;
- (u) the Sugar Industry Rehabilitation Fund;
- (v) the Sugar Industry Labour Welfare Fund;
- (w) any other person or authority exempted from the provisions of this Act by resolution of the National Assembly;
- (x) any company granted exemption from income tax on or after the 1st January, 1965 for a tax holiday period under section 2 of the Income Tax (In Aid of Industry) Act, in respect of its property employed in the business of the company on the income of which such exemption from income tax is granted, during the tax holiday period.

PART IV

IMPOSITION OF PROPERTY TAX

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| Charge of Property Tax.

First Schedule. | <p>7. Subject to this Act, and more particularly to the other provisions of this Part, there shall be charged, levied and collected for each year of assessment a tax (to be called the Property Tax) at the appropriate rate or rates specified in the First Schedule, in respect of the net property, on the corresponding valuation date, of every person.</p> |
| Special valuation dates.
c. 81:01 | <p>8. Where the Commissioner has permitted any person under section 12 of the Income Tax Act to compute the gains or profits from his trade or business for the purposes of the Income Tax Act upon the income of a year terminating on some day other than that immediately preceding any year of assessment, the Commissioner may permit that day to be the valuation date for the purposes of this Part in respect of property held for the purposes of such trade or business.</p> |
| Net property to include certain property. | <p>9. (1) There shall be included in the net property of any person—</p> <ul style="list-style-type: none">(a) any property in which he has only a life interest;(b) being the only beneficiary under a trust, the property subject to the trust;(c) being one of several beneficiaries under a trust the benefits from which to the beneficiaries can be ascertained from year to year, such part of the property subject to the |

trust as is proportionate to his share of the benefit from the trust;

(d) being the trustee of a trust the benefits from which to all or any of the beneficiaries under the trust cannot be ascertained from year to year, the property subject to the trust;

(e) being the trustee of a trust of a public character (which term includes any ecclesiastical, charitable or educational institution or endowment of a public character within Guyana, or elsewhere as may be approved by the Minister) the property subject to the trust other than property excluded from inclusion in the net property under section 10 (a) (iii); and

(f) being a partner in a firm, the value of his interest in the firm:

Provided that nothing in the preceding provisions of this subsection shall apply to any superannuation fund or scheme approved by the Minister for the purposes of section 7(p) of the Corporation Tax Act. c. 81:01

(2) Where the estate of a deceased person is administered by an executor, then, for the purposes of subsection (1) of this section, the executor shall be deemed to be the trustee of the estate and every heir to the whole or any part of the estate shall be deemed to be a beneficiary and the estate shall be deemed to be the property subject to the trust.

10. There shall be excluded—

(a) from the net property of a person for any year of assessment—

(i) being, in the year preceding that year of assessment, a person not resident in Guyana, or a person ceasing to be resident in Guyana, or a person not domiciled in Guyana, his property which is outside Guyana;

(ii) being a person not resident in Guyana in the year preceding that year of assessment, his holdings of securities issued by the Government of Guyana;

Certain property to be excluded from net property. [3 of 1966A]

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(iii) being an ecclesiastical, charitable or educational institution or endowment of a public character within Guyana, or elsewhere as may be approved by the Minister, such income thereof as income which is not derived from any trade or business carried on by such institution or endowment or any such property thereof as is property which is not used in any trade or business carried on by such institution or endowment:

Provided that—

(A) a trade or business which is incidental to the main purpose of the institution or endowment; or

(B) a school, college, university or other educational establishment carried on otherwise than for private gains; or

(C) a fair or fairs held on a number of days which in aggregate do not exceed seven days in the year immediately preceding any year of assessment,

shall not be held for the purpose of this paragraph of this section, to be a trade or business;

(iv) investments made in Guyana from and after the 1st January, 1965, of such nature as may be prescribed; and

(b) from the net property of an individual for any year of assessment—

(i) his right or interest in any life insurance policy before the moneys covered by that policy became due and payable to him;

(ii) his right to receive a pension or other life annuity;

(iii) any tools and instruments (but not plant and machinery) necessary for him to carry on his profession or vocation subject to a maximum of one hundred thousand dollars;

(iv) any works of art, including drawings, paintings, photographs and prints, archaeological, scientific or art collections, books or manuscripts belonging to him and not intended for sale subject to a maximum of one hundred thousand dollars;

(v) any household furniture and equipment belonging to him and not intended for sale, subject to a maximum of one hundred thousand dollars;

(vi) any jewellery belonging to him and not intended for sale, subject to a maximum of fifty thousand dollars;

(vii) the amount to his credit as an employee in any provident fund; and

(viii) any property donated to him subject to a life interest in the donor, so long as the life interest subsists.

11. The value of the net property of a married woman living with her husband for any year of assessment shall be charged in her name.

Wife's property.

12. (1) In the computation of net property the value of any property other than cash shall be computed in accordance with the following provisions:

Value of property in computing net property.

(a) Where any property was acquired before 1st January, 1991, its value shall be the aggregate of its estimated price in open market, as at 1st January, 1991 (which price shall be estimated by the accountable person) together with the cost of improvements and additions made to it after 1st January, 1991:

Provided that—

(i) the Commissioner may in any case estimate the price of such property as at 1st January, 1991, if he is dissatisfied with the price estimated by the accountable person;

(ii) in the case of property being stocks and shares quoted on a recognised Stock Exchange the value shall be the middle market price on 1st January, 1991.

(b) Where any property was acquired on or after 1st

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January, 1981, its value shall—

(i) if it was acquired by purchase, be an amount equal to the aggregate of the cost of purchase and the cost of improvements and additions made to it after its purchase; and

(ii) if it was acquired otherwise than by purchase, be an amount equal to the aggregate of its market value, on the date of acquisition and the cost of improvements and additions made to it after its acquisition.

(c) Where the property consists of debts due to the person, the nominal amount of these debts.

(2) Where the price of any property has been satisfied otherwise than in cash, the then value of the consideration actually given for the property shall be treated as the price at which the property was acquired.

(3) The price or value of any property shall for the purposes of this Part be subject to the following deductions:

(a) in the case of property other than a debt any deductions for wear and tear and annual allowances (but not initial allowances) since the acquisition of the property or 1st January, 1981, whichever is the later, as are authorised by the Income Tax Act; and

(b) in the case of debts, any deduction from the nominal amount which has been allowed in respect thereof for income tax purposes.

c. 81:01

Set-off against
tax on
property of
shareholder.
[3 f 1966A]

13. When the value of the stocks or shares of a company which has paid or is liable to pay the tax has been included in the net property of a shareholder, an amount equal to the product of the value so included and the rate of the tax payable by the company shall be set off against tax payable by the shareholder:

Provided—

(a) that the rate of tax shall be the rate arrived at by dividing the total value of the net property of the company (including property excluded under section 10 (a) (iv)) into the tax payable by the company; and

(b) that the amount to be set off shall in no case be in excess of the amount of the tax payable by the shareholder before the set off.

PART V

RETURNS, ASSESSMENTS, APPEALS, PAYMENT, RECOVERY AND REPAYMENT, AND OFFENCES, ETC.

14. (1) Property Tax shall be assessed and collected by the Commissioner.

(2) Every person being—

(a) an individual who is resident in Guyana in the year preceding the year of assessment who on the last day of the year preceding the year of assessment possessed net property whether situated in Guyana or otherwise of the value of one million dollars or more; or

(b) an individual who is not resident in Guyana in the year preceding the year of assessment who on the last day of the year preceding the year of assessment possessed net property situated in Guyana of the value of one million five hundred thousand dollars or more; or

(c) a body of persons or a company which was registered in or carried on business in Guyana in the year preceding the year of assessment and which on the last day of the year preceding the year of assessment, possessed net property of the value of five hundred thousand dollars or more;

Assessments,
collection,
appeals, etc.
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3 of 1966A
17 of 1970
16 of 1999]

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shall on or before the prescribed day in the year of assessment deliver to the Commissioner a true and correct return of his net property, and shall if absent from Guyana give the name and address of an agent residing therein.

c. 81:01
Second
Schedule.

(3) The sections of the Income Tax Act specified in the Second Schedule to this Act (which relate to returns, assessments, objections and appeals therefrom, the signing and service of notices, agreement with the Government of a country outside Guyana for the exchange of information, the payment and recovery of tax, and offences) shall, *mutatis mutandis*, have effect with respect to the Property Tax as they have effect with respect to the Income Tax.

Persons to
estimate and
pay tax.

15. (1) Every person required by section 14 to deliver to the Commissioner a return of his net property shall in that return estimate the amount of tax payable.

(2) The tax estimated in subsection (1) shall be paid to the Commissioner on or before the prescribed day referred to in section 14 (2).

Special power
of
Commissioner
to require
submission of
returns

16. (1) Notwithstanding anything to the contrary in section 14(2), the Commissioner may, by notice in writing require any person mentioned in section 14(2) to furnish him with a true and correct return of the net property of that person, irrespective of the value thereof.

(2) Any person who refuses, fails or neglects to perform any act required by this section is guilty of an offence.

Power to make
regulations.
[3 of 1966A]

17. The Minister may from time to time make regulations generally for carrying out the provisions of this Act.

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FIRST SCHEDULE

s. 7
[3 of 1966A
45 of 1974
16 of 1999]

RATES OF PROPERTY TAX

Rate
per cent

- (1) For a person other than a company:
- | | |
|--|-----|
| On the first \$7,500,000 of net property | Nil |
| For every dollar of the next \$5,000,000 of net property | ½ |
| For every dollar of the remainder of net property | ¾ |
- (2) For a company:
- | | |
|--|-----|
| On the first \$1,500,000 of net property | Nil |
| For every dollar of the next \$1,500,000 of net property | ½ |
| For every dollar of the remainder of net property | ¾ |

SECOND SCHEDULE

s. 14
[3 of 1966A]
c. 81:01

**PROVISIONS OF THE INCOME TAX ACT, WHICH HAVE
EFFECT WITH RESPECT TO THE PROPERTY TAX**

Section	Subject Matter
48	Chargeability of trustees and other representatives.
49(1), (2), (5)	Chargeability of agents.
50	Matters to be done by representatives.
52	Responsibility of Manager of corporate body.
53	Indemnification of representatives.
54	Power to appoint agent.
55	Deceased persons.
60	Returns.
61(1), (4)	Government and municipal officers, etc. to supply particulars.
63	Power to require information.
64	Powers of the Commissioner.
65	Books of account.
66(a)	Partner's share in partnership.
66(b)	Returns by partnership.

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67 Offences.

Section	Subject matter
68	Form of returns.
70	Assessments.
71	Recovery of tax in certain cases.
72	Additional assessments.
76	Lists of persons assessed.
78	Notice of assessment, objection, and power of Commissioner to revise in case of objection.
82	Appeals to Board of Review against assessments.
83	Powers of Board.
84	Duty of witnesses summoned.
86	Appeals to a judge, etc. against assessment.
87	Errors in assessments and notices.
88	Evidence.
92A	Agreement with the government of a country outside Guyana for the exchange of information.
97(1)	Time within which payment is to be made.
97(2)	Procedure in cases where objection or appeal is pending.
97(4)	Power to demand payment where person is unreasonably delaying to proceed with objection.
98	Appellant to give security for payment of tax.
99	Penalty for non-payment of tax and enforcement of payment.
100	Recovery of tax from persons leaving Guyana.
101	Certificate registrable as judgment.
102	Garnishments.
103	Collection of tax after determination of objection or appeal.
104	Suit for tax by Commissioner.
105	Power of President to remit tax.
106	Repayment of tax.
108	Power of Commissioner to remit certain penalties.
109	Penalties for offences.
110	Penalty for making incorrect return.
111	False statements and returns.
112	Impeding or obstructing Commissioner or officers.

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Section	Subject matter
113	Proceedings.
114	Saving for criminal proceedings.
115	Signing of notices.
116	Service of notices.
