

CHAPTER 428

THE TIMESHARING TAX ACT

Arrangement of Sections

Section

1. Short title.
2. Interpretation.
3. Timesharing occupancy tax.
4. Timesharing services tax.
5. Statement to be delivered to purchasers.
6. Commissioner of Inland Revenue responsible for Collection of Tax.
7. Refund of timesharing occupancy tax.

TIMESHARING TAX

AN ACT to impose a tax on the sale or resale of time-sharing interval and a tax on the amount payable on account of the costs of the operation and maintenance of a timesharing scheme.

(23rd August, 1984.)

7/1984.

1. This Act may be cited as the Timesharing Tax Act.

Short title.

2. In this Act,

Interpretation.

"costs of the operation and maintenance of the time-sharing scheme" means payment for—

- (a) club membership dues;
- (b) electricity, fuel, sanitation and water;
- (c) use of any recreational or sporting facilities;

- (d) housekeeping services;
- (e) the replacement of any furniture, fittings, appliances and floor coverings;
- (f) the operation and maintenance of the premises generally;

"managing agent" means a person who undertakes the duties, responsibilities and obligations of the management of a timesharing scheme; and

the expressions "developing owner", "timesharing interval" and "timesharing scheme" have the meanings respectively assigned to those expressions in the Timesharing (Licensing and Control) Act.

Cap. 427.

Timesharing occupancy

3. (1) A tax, to be called timesharing occupancy tax, is charged on the developing owner of a timesharing scheme in respect of the sale or resale of every timesharing interval at five per cent of the purchase price of the timesharing interval.

Timesharing services tax.

4. (1) A tax, to be called timesharing services tax, is charged on every managing agent of a timesharing scheme in respect of the amount payable by every purchaser of a timesharing interval on account of the costs of the operation and maintenance of the timesharing scheme during any tax period at the rate of five per cent of such amount.

(2) In this section "tax period" means each and every calendar month commencing with the month of July 1984.

Statement to be delivered to purchasers.

5. (1) Every developing owner shall on the sale or resale of a timesharing interval in a timesharing scheme provide or cause to be provided to the purchaser a statement setting forth clearly —

- (a) particulars of the purchase price of the timesharing interval;
- (b) the amount payable under this Act for tax in respect thereof.

(2) Every developing owner shall deliver or cause to be delivered to the Commissioner of Inland Revenue for

certification by the Commissioner for Inland Revenue a copy of the statement referred to in subsection (1) as soon as may be after the sale or resale of the timesharing interval.

(3) Every managing agent of a timesharing scheme shall, upon payment by the purchaser of the amount payable by him on account of the costs of the operation and maintenance of the timesharing scheme, deliver or cause to be delivered to the purchaser a statement setting forth clearly—

(a) particulars of the amount paid;

(b) the amount payable under this Act for tax in respect thereof.

(4) Any person who contravenes the provisions of this section is guilty of an offence and is liable on summary conviction to a fine of not less than five thousand dollars and not more than ten thousand dollars and to a further penalty equal to double the amount of the taxes that should have been paid or collected.

6. The Commissioner of Inland Revenue is responsible for the collection of timesharing occupancy tax and timesharing service tax.

**Commissioner of
Inland Revenue
responsible for
Collection of Tax.**

7. (1) Subject to subsection (2), the Minister may direct the repayment to the developing owner of any timesharing occupancy tax previously paid to the Commissioner of Inland Revenue where it is proved to the satisfaction of the Minister that—

**Refund of time-
sharing occupancy
tax.**

(a) the contract for the sale or resale of the timesharing interval in respect of which the tax was paid was, by mutual agreement of the parties thereto, cancelled before the purchaser first exercised his right to occupy and use the timesharing interval; and

(b) the developing owner has refunded to the purchaser an amount equal to the timesharing occupancy tax paid by him in respect of the sale or resale of the relevant timesharing interval.

(2) No repayment of timesharing occupancy tax shall be made under subsection (1)—

(a) unless the claim for repayment and the evidence in support thereof are submitted to the Commissioner of Inland Revenue within two years of the date of the execution of the contract;

(b) during any period when the Minister responsible for tourism has suspended the licence of the developing owner or the managing agent under the provisions of the Timesharing (Licensing and Control) Act.

Cap. 427.