

**GOVERNMENT OF ANGUILLA
INLAND REVENUE DEPARTMENT**



Property Tax



**CONTRIBUTING TO ANGUILLA'S
DEVELOPMENT**

Mission Statement

Inland Revenue Department is committed towards collecting taxes with fairness, efficiency and integrity, in a timely and cost effective manner while providing courteous, quality service to the residents of Anguilla.

Vislon Statement

◇ Developing a skilled, efficient workforce and striving constantly to improve the level of professionalism to face challenges in an ever changing environment.

◇ Offering a friendly, fair and consistent service at all times

◇ Enhancing tax administration while simplifying tax laws

**◇ Promoting public consciousness towards producing responsible
Taxpayers**

◇ Encouraging voluntary compliance

IMPOSITION OF PROPERTY TAX

The Property Tax Act is the document which contains the provisions for the imposition of this tax. It became effective in 2015.

INTERPRETATIONS

In this Act:

- ◇ **Building** refers to a permanent or semi-permanent structure, or part of a semi-permanent structure with a roof.
- ◇ **Improvements refers to:-**
 - a. a structure or part of a structure constructed of durable materials on land, whether or not it is so affixed to the land as to be transferred by a freehold in the land: and
 - b. anything affixed to or secured to a structure referred to in paragraph (a); and includes part of an improvement.
- ◇ **Structure** means a building and any other thing constructed of durable materials.
- ◇ **Dwelling House** refers to a whole or any part of a building that is kept or occupied as a residence.
- ◇ **Valuation roll** refers to a document that records the valuation made in relation to improvements on a parcel of land that are liable to be valued.
- ◇ **Tax arrears** means tax that remains unpaid after it is due.
- ◇ **Taxable improvement** means any improvement liable to valuation.

Any interest imposed on tax arrears under the Inland Revenue Department Act and any penalty imposed under the Property Tax Act are deemed to be part of the tax in relation to which they are imposed.

Tax arrears, interest and penalties under this Act includes, tax arrears, interest and penalties that remain unpaid under the Valuation and Rating Act and the Villa Rental Business Regulation Act (both Acts now repealed).

IMPROVEMENTS TO BE VALUED

- ⇒ A valuation shall be prepared for all improvements, other than:
 - ◇ an improvement that is under construction until it has, or is capable of being occupied or use for a purpose other than construction.
 - ◇ an improvement that are designated by regulation under the minister, until the date specified in the regulation for their valuation.
 - ◇ an improvement set out in schedule 1.
- ⇒ An improvement on each parcel of land, shall be valued separately in relation to the parcel of land where it is located.
- ⇒ Each strata lot shall be valued as if it consisted only of improvements.
- ⇒ An improvement on a parcel of land where the registered owner is the Crown or a Government agency that is held under lease , shall be valued as though the lessee , were the registered owner of the freehold on which the improvement is located if rent is paid or any other valuable consideration is given for the lease.
- ⇒ An improvement on a parcel of land that is registered to a person other than the Crown or a Government agency, where the Crown or Government agency has an interest, the improvement shall be valued as though a person other than Government held the interest.
- ⇒ An improvement on a parcel of land, where the registered owner of which is a person other than the Crown or Government agency that is leased to an alien landholder, shall be valued as though the lessee

the registered owner of the parcel on which the improvement is located.

CONTENTS OF VALUATION ROLL

A valuation roll shall show the following in relation to any improvement or improvements located on a parcel of land that are liable to be valued:

- a) A brief legal description or an indication of the description that is sufficient to identify the parcel of land;
- b) The name and mailing address of the person or person enrolled in relation to an improvement or improvements;
- c) The description of the type of improvement or improvements;
- d) The class or classes assigned to the improvement or improvements and an indication of the improvements in each class and the portion of the value attributable to the improvements in each class;
- e) The total value of the improvement or improvements and, the total value of the improvements in each class;
- f) If any improvements is exempt from taxation, a notation of that fact, the basis of the exemption and an indication of the improvement or improvements that are exempt; and
- g) Any other information considered appropriate by the Senior Valuation Officer.

PERSONS TO BE ENROLLED ON VALUATION ROLL

An improvement liable to valuation is to be registered in the name of the owner of the parcel of land. Registered persons include:

- a) The registered owner of the parcel of land;
- b) The proprietor under the Registered Land Act of the leasehold in the parcel or part of the parcel of land; and
- c) The person who owns the separately-owned immovable Improvement.

NOTICE OF PUBLICATION OF DRAFT VALUATION ROLL

The Senior Valuation Officer shall, not later than November 30 of the year prior to the financial year for which the valuation roll is to be prepared, publish the notices of a draft valuation roll in at least one issue of a newspaper having general circulation in Anguilla and in the Gazette. The notice should state that:

- a) A general valuation of improvements in Anguilla has been done for the financial year and that the reference date for that general valuation is as determined by regulations.
- b) An objection may be made about any information on the draft valuation roll in relation to any improvement, in the form and manner and within the time provided under the Act.

The Senior Valuation Officer may include other information in the notice and may publish the notice in any other manner that he or she considers appropriate.

PUBLICATION OF DRAFT VALUATION ROLL

The Senior Valuation Officer, not later than the date of publication of the notice shall:

- a) make the draft valuation roll available for inspection during business hours at the Inland Revenue Department; and
- b) Continue to make draft valuation roll available for inspection until the certified valuation roll is made available.

The Senior Valuation Officer may publish the draft valuation roll in any other manner he or she considers appropriate.

CERTIFICATES OF VALUATION IN REFERENCE TO DRAFT VALUATION ROLL TO BE SENT

The Senior Valuation Officer Shall:

- a) Prepare a certificate of valuation in relation to improvements to each parcel of land shown on the draft valuation roll; and
- b) Not later than the date of publication of the notice send the certificate of valuation to each enrolled person to be shown on the certificate of valuation.

CONTENTS OF CERTIFICATE OF VALUATION

A certificate of valuation shall show the following for an improvement that is liable to valuation:

- a) the same information required to be shown on the valuation roll for the improvement;
- b) the date of the valuation; and
- c) any other information considered appropriate by the Senior Valuation Officer.

PREPARATION OF ANNUAL VALUATION ROLL

The Senior Valuation Officer shall, not later than December 31 of the preceding financial year, prepare an annual valuation roll for the financial year.

An annual valuation roll prepared under this section shall indicate the financial year for which it is prepared.

PUBLICATION OF ANNUAL VALUATION ROLL

The Senior Valuation Officer shall, without delay after the start of a financial year:

- a) make the annual valuation roll available for inspection during business hours at the Inland Revenue Department; and
- b) continue to make the valuation roll available for inspection until the valuation roll for the next following financial year is made.

OBJECTIONS

- 1) A person wishing to make an objection shall do so in accordance with the Property Tax Act.
- 2) The objection shall be on the form approved by the Senior Valuation Officer and shall be signed by the objector.
- 3) A person may make an objection about an improvement only if the person is or ought to be enrolled to be a registered owner in relation to the improvement.

- 4) If the objection is in relation to a certificate of valuation, the objection may be about any information shown on the certificate in relation to the improvement.
- 5) If an objection is in relation to a certificate of valuation, the objection may only be about any information that has been amended since the previous certificate.
- 6) Where a certificate of valuation has been the subject of an objection which has been resolved, there shall be no right to object to that certificate of valuation in relation to the objection which has been resolved.
- 7) A person does not have any right to make an objection about any tax rate or the amount of tax.
- 8) An objection shall state each ground of objection on which the objection relies and may indicate the amendment that is desired.
- 9) The objection shall include the mailing address and telephone number of the objector.

WHEN AN OBJECTION IS TO BE FILED

An objection shall be filed with the Senior Valuation Officer not later than 30 days after the day a certificate of valuation is sent.

REGISTER OF OBJECTIONS

The Senior Valuation Officer shall maintain an up-to-date register of objections containing such information as the Comptroller may direct.

ADMINISTRATIVE RESOLUTION OF OBJECTIONS

- 1) After an objection is filed, a valuation officer shall:
 - a) without delay review the objection; and
 - b) not later than 45 days after the expiry of the period for filing objections, endeavor to resolve the grounds of objection with the objector.

- 2) An objection that is withdrawn in writing, signed by the complainant is deemed to have been resolved.
- 3) Unless it is withdrawn, an objection that is received after the required time is deemed to be unresolved.
- 4) An objection or ground of objection is resolved when the objector and a valuation officer sign a statement indicating that the objection or ground of objection is resolved.
- 5) When an objection or ground of objection is not resolved within 45 days after the expiry period for filing objections, the objection or ground of objection is deemed to be unresolved.
- 6) When all the objector's grounds of objection are resolved, the valuation officer shall without delay:
 - a) make a written record of the resolution of each ground of objection; and
 - b) send notice to the objector that the objection has been resolved.
- 7) When some grounds of objection are resolved and others are unresolved, the valuation officer shall without delay:
 - a) make a written record of the resolution of those grounds of objection that are resolved and the grounds of objection that are unresolved; and
 - b) send notice to the objector of those grounds of objection that were resolved and those that were unresolved.
- 8) When none of the grounds of objection is resolved, the valuation officer shall without delay:
 - a) make a record that the grounds of objection are unresolved; and
 - b) send notice to the objector that the grounds of objection are unresolved.

- 9) A valuation officer shall not amend any valuation that is fair and equitable, taking into consideration valuations of similar improvements.

EFFECT OF OBJECTION AND REVIEW PROCEEDINGS ON OBJECTION ON PAY TAXES

Although an objection has been made and is under review, that does not relieve any person from the obligation to pay:

- a) any tax owing in relation to any improvement when it is payable pursuant to a demand notice; or
- b) any interest or penalty imposed in relation to the tax.

PERSONS LIABLE AS TAXPAYERS

- 1) The person liable as taxpayer to pay tax imposed on an improvement on a parcel of land in a financial year is
 - a) the enrolled person in relation to the improvement for that financial year; or
 - b) any person who subsequently becomes the enrolled person in relation to the improvement for that financial year.
- 2) When two or more persons are liable as taxpayers in relation to an improvement, their liability is joint and several.
- 3) Any person liable as a taxpayer for the purposes of subsection 1 shall pay the tax imposed under this Act.

TAX DEEMED TO BE IMPOSED ON JANUARY 1

Tax in a financial year is deemed to have been imposed on January 1 of that year.

ISSUE OF DEMAND NOTICES

The Comptroller shall for each financial year:

- a) prepare a demand notice for all taxable improvements on parcels of land shown on the annual valuation roll for that financial year; and
- b) as soon as reasonably possible after the beginning of the financial year, send the demand notices to taxpayers.

CONTENTS OF DEMAND NOTICES

- 1) A demand notice shall show the following:
 - a) the information shown on the certificate of valuation that the Comptroller considers necessary to calculate the tax on taxable improvements; and
 - b) Any other information considered appropriate by the Comptroller.
- 2) A demand notice may be combined with a certificate of valuation.

AMENDMENT OF DEMAND NOTICE

When the valuation roll for the financial year is amended and the amendment affects a demand notice already sent, the Comptroller shall prepare and send a demand notice to the taxpayer reflecting the amendment.

VALIDITY OF VALUATIONS

If: -

- a) any information shown on a valuation roll, a certificate of valuation or demand notice contains an error, or omission or is otherwise incorrect; or
- b) a valuation officer or other public officer fails to perform any duty assigned to him or her or fails to perform it within the time required;

does not invalidate the valuation, the valuation roll, certificate of valuation, or demand notice or affect the liability of a person to pay tax in relation to improvements when required under this Act.

PAYMENT OF TAX

Payment for Property Tax in a financial year is payable in two equal half yearly installments, the first due on or before June 1 and the second or the remainder due on or before December 1 of that year.

When a taxpayer has made an agreement to pay taxes by installments, the date of payment of the taxes is determined by the agreement.

When the collection of taxes is deferred by regulation or agreement, the taxes are payable in accordance with the regulations or the agreement.

INSTALLMENT PAYMENTS

A taxpayer who wishes to pay taxes by installments shall make an agreement with the Government represented by the Comptroller authorizing that method of payment at the Inland Revenue Department.

The agreement shall state:

- a) The amount and due dates of the installments to be paid in the remainder of the year: and
- b) What happens if an installment is not paid.

The agreement may provide for payment by a series of post-dated cheques or other prescribed means.

PENALTY FOR LATE PAYMENT AND INTEREST ON TAX REMAINING UNPAID

The Minister may by regulation impose:

- a) penalties at a rate of up to 5% if the tax remains unpaid after the due date or such later date: and
- b) interest at a rate not higher than the one set out in the Inland Revenue Department Act on tax arrears remaining unpaid.

RIGHTS OF VALUATION OFFICER TO ENTER ON PROPERTY AND INSPECT IMPROVEMENTS

A valuation officer may, at any reasonable time:

- a) Enter onto a parcel of land to inspect any improvement on the parcel of land;
- b) Request information, document or other things to be produced to assist the valuation officer in preparing the valuation or determining if the improvement is liable to valuation;
- c) Take measurement and photographs; and
- d) Make copies of document relevant to the valuation officer's duties.

OBSTRUCTION

A person who obstructs, hinders, interferes with or impedes a person in the performance of a duty imposed on him or her or under this Act commits an offence and liable on summary conviction to a fine of \$ 10,000.

GENERAL EXEMPTIONS

The following are exempt from taxation: -

- a) An improvement on a parcel of land in the name of the Crown as registered owner;
- b) An improvement on a parcel of land in the name of a government agency as registered owner;
- c) An improvement on land in the name of a religious body as registered owner of the improvement:
 - I. is any building used primarily as a place for divine service, religious worship, religious education or related religious activities
 - II. Is used primarily in connection with a building referred to in subparagraph (I)

III. Is used, or is intended to be used, chiefly as a residence for a member of the clergy of the religious body who officiates at religious worship. This includes his family, if any and an garage or other improvements to the land used, or intended to be used, in connection with the residence.

- d) An improvement on land in the Name of the Anguilla National Trust as the registered owner or as lessee;**
- e) An improvement on land licenced as a private burial ground under the Private Burial Ground Act and used chiefly for or in connection with burial purposes;**
- f) An improvement on land declared to be a public cemetery under the Cemeteries Act and used mainly for or in connection with burial purposes;**
- g) An improvement on land in the name of a body established for charitable purposes as registers owner and used mainly for those purposes;**
- h) An improvement on land registered in the name of a private school or assisted private school as defined of the Education Act;**
- i) An improvement on land subject to a conservation restriction agreement or that is in a protected area under the Biodiversity and Heritage Conservation Act;**
- j) An improvement on land of which a non-profit company incorporated under the Companies Act is the registered owner, which is mainly used for the purpose for which it was incorporated.**

Charitable purposes are those that are within the spirit and intendment of the Preamble to the Charitable Uses ACT(1601) or those analogous to those purposes as determined by the courts of the United Kingdom or the Eastern Caribbean Supreme Court.

*For further information, please contact
the Inland Revenue Department.*

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