



MINISTRY OF FINANCE
THE DEPARTMENT OF INLAND REVENUE

PROCEDURES FOR THE VAT STAMPING

OF DOCUMENTS EVIDENCING
REAL PROPERTY TAX TRANSACTIONS



The Public is being advised of the following in relation to the stamping of documents:

1. With effect from 1st July, 2019 conveyances, mortgages, long term leases and other real property transactions will attract VAT. Apart from a few exceptions, most of these transactions will no longer attract stamp duty and the rates of the transactions under the VAT Act will be identical to what obtained under the Stamp Act prior to 1st July, 2019. The details of the VAT rates applied to these transactions under the VAT Act are outlined in the table below.
2. Note, however, that this table does not include **real property transactions which were exempt from stamp duty prior to July 1, 2019**, for example, transfer of a home mortgage. These real property transactions **are still exempt from stamp duty and will now be zero-rated under the VAT Act**.
3. **Note that there are no changes in the rates applied to stamping. The rates previously applied to stamp duty are the identical rates applied for VAT.**
4. All other documents previously stamped under the stamp Act will continue to be stamped under the Stamp Act at the same rates that applied before 1st July, 2019.
5. Effective 1st July, 2019 in New Providence all documents that are required to be stamped under either the VAT Act or the Stamp Act are to be submitted for vetting via email. NP@Bahamas.gov.bs. Submissions will be vetted and you will be advised by the department within five (5) days from the date of presentation.
6. Original documents must be presented at the Department of Inland Revenue Headquarters at Shops of Carmichael Plaza, Carmichael Road, Nassau, Bahamas. for stamping along with full payment by way of a manager's cheque or bankers draft only, made payable to the "Public Treasury"
7. In the family Islands where there are offices of the DIR, as of the 1st, July, 2019, all documents that are required to be stamped under either the VAT Act or the Stamp Act are to be submitted for vetting via email (Grand Bahama GB@Bahamas.gov.bs, Abaco AB@Bahamas.gov.bs and Exuma EX@Bahamas.gov.bs). Submissions will be vetted and you will be advised by the department within five (5) days from the date of presentation.
8. Original documents must be presented for stamping to the respective family island offices along with full payment by way of manager's cheque or bankers draft only, made payable to the "Public Treasury"
9. Submission of documents for the request of Zero rating for *inter vivos* gifts of real property and the acquisition of a first home by a Bahamian citizen must be in accordance with and accompanied by the prescribed forms. These forms are available at www.inlandrevenue.finance.gov.bs

a) **SUBMISSION FOR ZERO RATING OF INTER VIVOS GIFTS**

SUBMISSIONS FOR ZERO RATING OF AN INTER VIVOS GIFT OF REAL PROPERTY MUST BE ACCOMPANIED BY FORM 66. (INTER VIVOS VAT ZERO RATE)

b) **SUBMISSION FOR ZERO RATING OF ACQUISITION OF FIRST HOME BY A BAHAMIAN CITIZEN email to firsthomeexemptions@Bahamas.gov.bs**

SUBMISSIONS FOR ZERO RATING ON THE ACQUISITION OF A FIRST HOME MUST BE ACCOMPANIED BY FORM 67. (FIRST HOME VAT ZERO RATE)

c) **SUBMISSION FOR ZERO RATING OF A TRANSFER OF MORTGAGE BETWEEN APPROVED LENDING INSTITUTIONS email to firsthomeexemptions@Bahamas.gov.bs**

TABLE OF VAT RATES APPLIED TO REAL PROPERTY TRANSACTIONS

CONVEYANCE TYPE	BASIS OF CALCULATION	VAT MULTIPLIER	VAT PERCENTAGE
Every deed of conveyance, assignment or transfer of real property.	VALUE UNDER \$100,000	0.025	2.5%
	VALUE \$100,000 AND OVER	0.1	10%
An assignment, transfer, long term lease, sublease or licence of a marina slip. ¹	VALUE UNDER \$100,000	0.025	2.5%
	VALUE \$100,000 AND OVER	0.1	10%
A transaction or instrument which by virtue of the provisions of this Act is treated as a supply of real property and which (a) has the effect of transferring any interest in a real property holding entity and which would have a similar effect on the legal or beneficial interest in any real property in The Bahamas that is	VALUE UNDER \$100,000	0.025	2.5%
	VALUE \$100,000 AND OVER	0.1	10%

¹ Leases to which a charge of stamp tax of 2.5% on annual rent reserved is still applicable will have any calculation of VAT adjusted for the amount of stamp tax assessed

legally or beneficially owned by the entity, had the legal or beneficial ownership of such entity represented the proportionate parts into which that legal or beneficial interest in the real property were divided; or (b) forms part of a series of transactions, and has the cumulative effect on real property as referred to in paragraph (a) above, unless the Comptroller is satisfied that the transaction is not of a series having regard to a statement to that effect endorsed in the instrument.			
A deed of exchange of real property	VALUE UNDER \$100,000 VALUE \$100,000 AND OVER	0.025 0.1	2.5% 10%
A transfer of a crown lease	VALUE UNDER \$100,000 VALUE \$100,000 AND OVER	0.025 0.1	2.5% 10%
A mortgage or transfer of mortgage of real property	MORTGAGE AMOUNT OR VALUE TRANSFERRED	0.01	1%
A re-conveyance of real property or both to a borrower or mortgagor only	DOCUMENT VALUE	0.001	1/10 of 1%
An endorsement or mortgage under section 32 of the Conveyancing and Law of Property Act (<i>Ch. 138</i>), or other satisfaction or discharge of a mortgage (including a satisfaction or discharge of a debenture).	ENDORSEMENT, MORTGAGE OR DISCHARGE AMOUNT	0.001	1/10 of 1%
Any other supply of real property	VALUE UNDER \$100,000 VALUE \$100,000 AND OVER	0.025 0.1	2.5% 10%