

BUSINESS LICENCE (AMENDMENT) BILL, 2021

Arrangement of Sections

Section

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BUSINESS LICENCE (AMENDMENT) BILL, 2021

A BILL FOR AN ACT TO AMEND THE BUSINESS LICENCE ACT

Enacted by the Parliament of The Bahamas

1. Short title and commencement.

- (1) This Act may be cited as the Business Licence (Amendment) Act, 2021.
- (2) This Act shall come into force on the 1st day of July, 2021.

2. Amendment of section 4 of No. 25 of 2010.

Section 4 of the Business Licence Act is amended —

- (a) by the deletion and substitution of subsection (6)(b) as follows—
 - “(b) all taxes and surcharges due and payable under the Real Property Tax Act (*Ch. 375*) in respect of the property or premises used by the applicant for business purposes have not been paid;”.
- (b) by the insertion immediately after subsection (6) of the following new subsection —
 - “(6A) Where the applicant for a business licence is not the owner of the property or premises from which the business operates, or is located, and outstanding taxes and surcharges are due and payable under the Real Property Tax Act (*Ch. 375*) in respect of such property or premises, the Secretary shall not grant a licence to the applicant unless an arrangement is entered into with the Chief Valuation Officer by the applicant to pay to the Chief Valuation Officer the periodic rent in the reduction of the outstanding real property taxes and surcharges due and payable by the owner.

- (6B) On the receipt of an application under subsection (6A), the Secretary shall serve a notice in writing on the owner of the property informing the owner that —
- (a) a business licence application has been made by the occupier of his property or premises;
 - (b) he is required to make arrangements to pay the outstanding sums owed to the Chief Valuation Officer; and
 - (c) a failure to make an arrangement to pay the outstanding sums, shall result in the debt being garnished from the rental sums payable to him pursuant to section 24 of the Real Property Tax Act (*Ch. 375*).
- (6C) Where the owner —
- (a) settles the outstanding sums due; or
 - (b) makes an arrangement pursuant to subsection (6B),
- a licence shall be issued to the applicant.
- (6D) If the owner does not settle the outstanding sums or fails to make an arrangement under subsection (6C), the applicant shall be given the opportunity to enter into an arrangement with the Chief Valuation Officer to pay the sums payable under the rental agreement provided that such sums shall not exceed the sum payable as rent for as long as the rental agreement subsists.
- (6E) If the applicant vacates the premises referred to in the rental agreement, he shall be relieved of his obligation to pay any further sums under the arrangement.
- (6F) Where the applicant has breached the terms of an arrangement to pay, the Secretary may take such action in relation to the licence granted as is authorised by section 7(1).
- (6G) Where an applicant complies with his arrangement to pay under subsection (6D), he shall be relieved of his obligation to pay rent to the owner of the property and shall incur no liability to the owner to the extent to which he has paid in respect of the outstanding taxes and surcharges.
- (6H) Where a person is granted a licence and fails to comply with an arrangement under subsection (6D), he shall be personally liable for the payment of the sums which should have been paid under the arrangement.

- (6I) No owner, or any person acting on his behalf shall institute proceedings or otherwise take any steps to evict or impede the tenant or lessee's quiet enjoyment of the property or premises or otherwise fail to perform any obligations by law to a tenant by reason only of non-payment of rent in accordance with this section.
- (6J) An owner, or any person acting on his behalf who contravenes the provisions of subsection (6I) commits an offence.”.

OBJECTS AND REASONS

This Bill also seeks to amend section 4 of the principal Act to provide for the insertion of new subsections to provide for an applicant to pay rent owing under a rental agreement to the Chief Valuation Officer in reduction of outstanding sums due for real property by the owner of the rental premises.