

CAYMAN ISLANDS



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**THE TOURIST ACCOMMODATION (TAXATION) (AMENDMENT)
LAW, 2002**

(LAW 5 OF 2002)

CAYMAN ISLANDS

Law 5 of 2002.

I Assent

P.J. Smith

Governor.

Date: 19 April, 2002

**A LAW TO AMEND THE TOURIST ACCOMMODATION (TAXATION)
LAW (1996 REVISION) TO PROVIDE FOR THE IMPOSITION OF AN
ACCOMODATION TAX ON TIMESHARES; AND FOR INCIDENTAL
AND CONNECTED PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

1. (1) This Law may be cited as the Tourist Accommodation (Taxation) (Amendment) Law, 2002. Short title

(2) This Law shall come into force on such date as may be appointed by order made by the Governor in Council.

2. The Tourist Accommodation (Taxation) Law (1996 Revision) is amended in section 2 as follows - Amendment of section 2
of the Tourist
Accommodation
(Taxation) Law (1996
Revision) - definitions

(a) by repealing the definition of “accommodation” and substituting the following -

“accommodation includes -

(a) overnight accommodation in any establishment where tourists are accommodated and are charged for such overnight accommodation and service connected therewith; and

(b) a timeshare;” and

(b) by inserting the following definitions in their appropriate alphabetical order -

“timeshare” means any accommodation in the Islands, used or intended to be used, wholly or partly, for leisure purposes by a

class of persons, all of whom have rights to use, or participate in arrangements under which they may use, that accommodation, or accommodation within a pool of accommodation (wherever located) to which that accommodation belongs, for intermittent periods of short duration;” and

“service” does not include the cost of food, drink and other consumables supplied to a tourist;”.

Repeal of section 3 and
substitution - taxation of
tourist accommodation

3. The Tourist Accommodation (Taxation) Law (1996 Revision) is amended by repealing section 3 and substituting the following -

“3. (1) Subject to subsection (2), the proprietor of any accommodation shall pay to the Government a tax equal to ten per cent of the amount of the charges made by him in respect of each tourist accommodated therein.

(2) Where a tourist is accommodated at a timeshare and such tourist is either -

- (a) the owner of the timeshare;
- (b) a guest of the owner of the timeshare; or
- (c) a person who has exchanged his timeshare for that timeshare,

the proprietor of the property at which the timeshare is located shall pay to the Government the equivalent of ten dollars US for each day or part of a day in respect of each room in a timeshare which is occupied by tourist of a category specified in this subsection.

(3) Where a tourist occupying a timeshare does not fall into any of the categories specified in subsection (2) the proprietor shall pay the tax specified in subsection (1).”.

Passed by the Legislative Assembly the 21st day of March, 2002.

JULIANNA O’ CONNOR- CONNOLLY

Speaker.

WENDY LAUER EBANKS

Clerk of the Legislative Assembly.