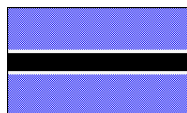


Zone 1: Commonwealth Countries in Africa

Appendix 1-1: Botswana



<i>Basic Country Information</i>			
Geographic size	600,370 km ²	Independence	1966
Capital	Gaborone	Population	1.6 million
System of government	Parliamentary republic Multi-party democracy	Urbanisation	46%
Sub-national government	2 city councils, 5 town councils, 9 district councils, 1 township	GDP (per capita)	US\$ 9,500
<i>Sub-national Government</i>			
Expenditure responsibilities	Traditional municipal services and infrastructure; primary education and primary healthcare; tertiary roads; village water supply		
Sources of revenue	Recurrent income: Urban councils: Central government grants (approximately 60%); rates (i.e. property tax), levies, licences and fees (approximately 40%) Rural councils: Grants (more than 90%) Development funds come exclusively from government grants.		
Importance of property tax	Important in the 6 urban jurisdictions where it is levied		
<i>Land Issues</i>			
Land tenure	Freehold tenure, communal tenure – generally tenure security is high		
Land titling	Deeds office		
<i>Taxes</i>			
National	Income tax, VAT, CGT, capital transfer tax, transfer duty	Sub-national	Rates, licences, fees
<i>Property-related Taxes</i>			
National	Transfer duty: <u>Citizens:</u> Non-agricultural property above P20,000 5% Agricultural property: exempt <u>Non-citizens:</u> Non-agricultural property above P20,000 5% Agricultural property 30%	Sub-national	Rates

<i>Rates</i>		
Acts: Township Act, 1955 Town Council Regulations, 1966		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	Site plus improvements (i.e. improved value)	Valued separately, then added together as rateable value
Coverage of tax base	All land, within rating authority area, unless exempt	Only in 6 jurisdictions
Taxpayer	Owner (in certain cases the occupier)	
<i>Valuation & Assessment</i>		
Valuation	3 values: <ul style="list-style-type: none"> • Land • Improvements • Land plus improvements 	All 3 values are reflected in valuation rolls
Responsibility	A 'valuation officer' appointed by the local government	Central government valuers
Valuation cycle	Maximum 5 years	
Objection & appeal	Local Valuation Court deal with objections High Court responsible for appeals	
Quality control measures	Individual: objection and appeal Collective or external: none	
Tax rates	<ul style="list-style-type: none"> • Ministerial approval for locally set rates • Differential rates for different property categories, set annually • Higher rates on undeveloped properties 	<u>Gaborone (2000/2001):</u> Res. (developed): 0.43% Res. (undeveloped): 1.71% Non-res. (developed): 0.52% Non-res. (undev.): 2.08% Agricultural (dev): 0.20% Agricultural (undev): 0.80% <u>Francistown (2000/2001):</u> Res. (developed): 0.88% Res. (undeveloped): 3.52% Non-res. (developed): 1.10% Non-res. (undev.): 4.40%
Exemptions	<ul style="list-style-type: none"> • On basis of ownership: state, local council • On basis of use: Public libraries, museums, schools, churches, etc. 	
<i>Tax Administration</i>		
Tax relief measures	Rate abatement for early payment	
Collection	Annually	It has been reported that practical problems with obtaining ministerial approval for the rates struck sometimes delay billing
Enforcement	<ul style="list-style-type: none"> • Interest on arrears • Transferor remains liable until town clerk is notified in writing of a transfer of ownership • Occupier can be held liable in certain 	

	cases <ul style="list-style-type: none">• Council may take possession of unoccupied rateable land after a period of 5 years	
<i>Additional Comments</i>	Significant scope for extension of rates to other urban jurisdiction	

Appendix 1-2: Cameroon



<i>Basic Country Information</i>			
Geographic size	475,440 km ²	Independence	1960
Capital	Yaoundé	Population	16 million
System of government	Unitary republic; multi-party democracy (since 1990)	Urbanisation	49%
Sub-national government	10 Provinces, each with a number of divisions (“departments”). Divisions are sub-divided into sub-divisions and districts. There are a total of 339 councils – i.e. sub-divisions, districts and the 2 city councils, Yaoundé and Douala. New local government and decentralization laws passed in 2004.	GDP (per capita)	US\$1,800
<i>Sub-national Government</i>			
Expenditure responsibilities	Water, sewerage, waste disposal; town planning and development; community health and safety; municipal roads and transport; social services; registration of births, deaths and marriages; primary education; sports, culture and leisure.		
Sources of revenue	Business levy; licences; cattle tax; share of land ownership tax Council tax: A 10% surcharge on specified central government taxes (e.g. VAT, business tax and general income tax) Percentage of forestry royalties Block grants from central government		
Importance of property tax	No data		
<i>Land Issues</i>			
Land tenure	No data		
Land titling	No data		
<i>Taxes</i>			
National	Income tax, VAT, business tax, land ownership tax	Sub-national	Land ownership tax, fees and licences
<i>Property-related Taxes</i>			
National	VAT, CGT, transfer tax, land ownership tax	Sub-national	Land ownership tax

Land Ownership Tax (Central and local government)		
Act: Law No. 2004/017 (decentralization); Law No. 2004/018 (councils)		
Land Ownership Tax legislation		
	Legislation	Practice
Tax Base & Taxpayer		
Tax base(s)	Surface area of undeveloped and in respect of developed land, the surface area of the land and also of 'each floor'	
Coverage of tax base	At least the large cities (e.g. Douala and Yaoundé)	Will change to a value-based system in 2005?
Taxpayers	Owner	
Valuation & Assessment		
Valuation	Not applicable	
Responsibility	Not applicable	
Valuation cycle	Not applicable	
Objection & appeal	No data	
Quality control measures	Not applicable	
Tax rates	<p>Graded rates as follows:</p> <p><u>Undeveloped property:</u></p> <p>Surface area below 400m²: CAF 2,500 Area between 401 – 1,000m²: CAF 5,000 Area between 1,001 – 3,000m²: CAF 7,500 Area between 3,001 – 5,000m²: CAF12,000 Above 5,000m²: an additional CAF 5 per m² with a maximum of CAF50,000</p> <p><u>Developed property:</u></p> <p>Surface area below 400m²: CAF 5,000 Area between 401 – 1,000m²: CAF10,000 Area between 1,001 – 3,000m²: CAF15,000 Area between 3,001 – 5,000m²: CAF24,000 Above 5,000m²: an additional CAF10 per m² with a maximum of CAF50,000</p> <p>An additional council tax, equal to 25% of the principal tax paid to the central government's Department of Taxation, is payable directly to the council within which the land is situated. If not paid to the council, but paid to the competent paymaster general, it must be remitted to the appropriate council in accordance with the law.</p>	Regressive
Exemptions	<ul style="list-style-type: none"> • Government-owned land, local council land and public enterprises not involved in commercial or industrial activities. • Religious, cultural and charitable institutions of public interest if used for non-profit activities. • International organisations with a head office in Cameroon and diplomatic missions in accordance with the principle of reciprocity. • Land situated outside the boundaries of administrative units 	

<i>Tax Administration</i>		
Tax relief measures	No data	
Billing and collection	Tax due on 1 July annually, to be paid spontaneously by 30 September	
Enforcement	<ul style="list-style-type: none"> • 100% penalty for late declaration and tax evasion through insufficient assessment or insufficient taxation • 10% interest per month on arrears (up to 100% maximum of principal amount) • Clearance certificate (tax receipt on transfer) 	
<i>Additional Comments</i>	<ul style="list-style-type: none"> • Reforms to introduce a value-based system in at least Douala and Yaoundé under way with 2005 as target date • Lack of capacity at local government level to perform many of the decentralized functions • Intricate tax and revenue sharing provisions exist in Cameroon 	

Appendix 1-3: The Gambia



<i>Basic Country Information</i>			
Geographic size	11,300 km ²	Independence	1965
Capital	Banjul	Population	1.5 million
System of government	Republic, multi-party parliamentary system	Urbanisation	33%
Sub-national government	5 divisions; 8 councils (including Banjul City Council); 114 wards; 1,500 village development committees	GDP (per capita)	US\$1,700
<i>Sub-national Government</i>			
Expenditure responsibilities	Basic services and infrastructure; promotion of community development		
Sources of revenue	Rates; rents, fees and charges; licences; government grants		
Importance of property tax	Significant (41%) in 2003 (see www.clgf.org.uk)		
<i>Land Issues</i>			
Land tenure	No data		
Land titling	No data		
<i>Taxes</i>			
National	Income tax, CGT, sales tax	Sub-national	Rates
<i>Property-related Taxes</i>			
National	CGT, stamp duty	Sub-national	Rates

<i>Rates</i>		
Acts: Local Government Act, 2002 Local Government Finance and Audit Act, 2004		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	Annual value	
Coverage of tax base	No data	
Taxpayer	No data	
<i>Valuation & Assessment</i>		
Valuation	No data	
Responsibility	No data	
Valuation cycle	No data	
Objection & appeal	No data	
Quality control measures	No data	
Tax rates	Set locally, but with ministerial supervision	
Exemptions	No data	
<i>Tax Administration</i>		
Tax relief measures	No data	
Billing and collection	Collected by local councils	
Enforcement	No data	
<i>Additional Comments</i>	Lack of capacity at local government level to perform legislative functions	

Appendix 1-4: Ghana



<i>Basic Country Information</i>			
Geographic size	239,460 km ²	Independence	1957
Capital	Accra	Population	21 million
System of government	Constitutional democracy	Urbanisation	38%
Sub-national government	10 regions; 138 district assemblies which include 10 municipal assemblies and 4 metropolitan assemblies. The Minister may establish sub-metropolitan district councils, urban or zonal councils, town or area councils and unit committees within the area of a district assembly. Sub-districts do not have legislative or rating powers.	GDP (per capita)	US\$2,200
<i>Sub-national Government</i>			
Expenditure responsibilities	All expenditures necessary and incidental to the performance of the functions conferred by the LGA, including basic education, public health, sanitation. Primarily development and planning functions are shared with central government.		
Sources of revenue	Grants and transfer from central government (approximately 70%). Entertainment duty; casino revenue, gambling and betting taxes; rates and levies; fees; licences; income taxation on the income of specified self-employed entrepreneurs. Rates could be levied on immovable property (i.e. buildings and other structures), other property, or in the form of a poll tax (called a 'basic rate').		
Importance of property tax	In principle important		
<i>Land Issues</i>			
Land tenure	No data		
Land titling	No data		
<i>Taxes</i>			
National	Income tax, VAT, customs and excise duties, wealth tax	Sub-national	Rates
<i>Property-related Taxes</i>			
National	VAT, CGT, gift tax, wealth tax, stamp duty	Sub-national	Rates

<i>Rates</i>		
Local Government Act, 1993		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	Rateable value of 'premises' (i.e. 'buildings, structures or similar development').	
Coverage of tax base	In principle broad	Poor in practice
Taxpayer	<ul style="list-style-type: none"> • Owners • Note that government shall pay to a rating authority an agreed amount in lieu of taxes. • Every public board, statutory corporation or similar institution shall be liable for rates. 	
<i>Valuation & Assessment</i>		
Valuation	<ul style="list-style-type: none"> • Replacement cost at the time of the valuation, to a maximum of 50% for owner-occupied premises, and 75% in all other cases. • 'Replacement cost' means the amount it would cost to provide the building, structure or other development as if they were new on an undeveloped site at the time of valuation. • 'Development' includes any improvement or work carried out on or in the land such as foundations, excavations, drainage systems, pathways, aprons, etc. • Plant and machinery attached to and forming an integral part of any building or structure must be included. 	
Responsibility	Minister in consultation with the minister responsible for valuation (i.e. the authority responsible for public lands, valuation – that is the Land Valuation Board), or a valuer appointed by the relevant rating authority (i.e. a district assembly)	In the case of Accra, the Accra Metropolitan Assembly appoints a valuer.
Valuation cycle	10 years	Accra Metropolitan Assembly has last been revalued in 1986; a general revaluation is planned for 2005.
Objection & appeal	<ul style="list-style-type: none"> • An owner aggrieved by the value or by the rate imposed may apply for a review to a Rate Assessment Committee. • If aggrieved by the decision of the Rate Assessment Committee, a person may appeal to the High Court. 	
Quality control measures	No data	
Tax rates	<ul style="list-style-type: none"> • Rates are set locally • A specified rate per cedi on the rateable 	Actual rates in Accra (for 2005):

	<p>value – with reference to area or use, i.e. could be levied differentially.</p> <ul style="list-style-type: none"> • Rates (as an amount per cedi) are reviewed every 2 to 4 years. 	<p>1st class residential: 0.0046 2nd class residential: 0.0035 3rd class residential: 0.0030 4th class residential: 0.0027 Commercial: 0.012515 Industrial: 0.01063 Mixed use: 0.00870 Parastatals: 0.01 Financial houses & Telecommunication 0.0113</p> <p>For unassessed or unnumbered properties there are minimum rates per class. For undeveloped plots there are minimum ground rates.</p>
Exemptions	<ul style="list-style-type: none"> • All premises appropriated exclusively for the use of public worship • Cemeteries and burial grounds • Charitable and public educational institutions registered with the District Assembly • Premises used as public hospitals and clinics • Premises owned by diplomatic missions 	
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • Reduction or remittance on account of poverty. • Refund – on application –where a premises has been unoccupied for at least 3 months. • Refund – on application – where a premises has been completely or partly demolished. 	
Billing and collection	A district assembly must maintain proper records of ratepayers, and may appoint any ‘suitable person’ as a rate collector.	In the 2005 Budget it was proposed that the administration of property rates could be outsourced to the IRS on contract.
Enforcement	<ul style="list-style-type: none"> • A claim for rates has priority over any other claim except claims by government. • Until paid, rates constitute a charge on the premises with priority over any other claim, except claims by government. • Rates can be recovered as a ‘civic debt’ with all costs and penalties in any court. • Rates could be deducted from an employee’s remuneration. • Premises could be sold after a 42-day 	

	period, if a notice has been attached conspicuously on the premises after rates have remained unpaid for 10 days after the due date.	
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Appendix 1-5: Kenya



<i>Basic Country Information</i>			
Geographic size	582,650 km ²	Independence	1963
Capital	Nairobi	Population	32 million
System of government	Republic with a multi-party democratically elected parliament	Urbanisation	33%
Sub-national government	7 provinces and 1 area (Nairobi); 175 local authorities, consisting of 67 county councils, 43 municipal councils, 62 town councils and 3 city councils.	GDP (per capita)	US\$1,000
<i>Sub-national Government</i>			
Expenditure responsibilities	Depending on capacity to provide services, these can range from markets, refuse collection, road maintenance, street lighting, basic public health, but can extend to education, water, sewerage and health.		
Sources of revenue	Grants and transfers from central government Single business permit; rates (i.e. property tax); fees and charges		
Importance of property tax	At approximately 14% on aggregate in 2000/01, it is an important own source of revenue. In cities and towns it is very important.		
<i>Land Issues</i>			
Land tenure	Freehold, customary tenure		
Land titling	Torrens system, to some extent in disrepair		
<i>Taxes</i>			
National	Income tax, VAT, customs and excise duties	Sub-national	Single business permit, rates
<i>Property-related Taxes</i>			
National	VAT, CGT, stamp duty	Sub-national	Rates

<i>Rates</i>		
Acts: Valuation for Rating Act (Cap 266) Rating Act (Cap 267) Local Government Act (Cap 265)		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	<ul style="list-style-type: none"> • Site value • Area (rural land only) • Site and improvements • Agricultural rental value 	In reality rating authorities utilise only the site value system.
Coverage of tax base	Major cities and towns	
Taxpayer	Owner	
<i>Valuation & Assessment</i>		
Valuation	Only registered valuers must produce 3 values: site value; value of improvements and total value	Valuation rolls reflect all 3 values.
Responsibility	Government valuers, municipal valuers (e.g. Nairobi), or private valuers	
Valuation cycle	10 years, until recently used to be 5 years	In many instances more than 15 years
Objection & appeal	Valuation court for objections High Court for appeals	
Quality control measures	None	None
Tax rates	Uniform rate set annually; if in excess of 4%, the Minister needs to approve it	
Exemptions	<ul style="list-style-type: none"> • Places of public worship • Hospitals and clinics • Cemeteries, crematoria and burial grounds • Educational institutions and school hostels • Charitable institutions • Libraries • Sports grounds • National parks 	
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • Differentiated lower rates for residential properties and agricultural properties • Discount for early payment 	Discount of up to 5% in Nairobi.
Billing and collection	Public announcement of payment date giving at least 30 days' notice	Weak and inefficient administration.
Enforcement	<ul style="list-style-type: none"> • Interest • Arrears could be claimed in a subordinate court of the first class (within 12 years) • Tenants and occupiers where owner in default • Sale in execution after 3 years 	Weak in practice; execution sales not used

Appendix 1-6: Lesotho



<i>Basic Country Information</i>			
Geographic size	30,355 km ²	Independence	1966
Capital	Maseru	Population	1.9 million
System of government	Parliamentary constitutional monarchy. Local government elections to be held in 2004 or 2005. Currently local government structures are very weak, and first local government elections were held in April 2005.	Urbanisation	17%
Sub-national government	7 municipal councils, 8 urban councils, 10 rural districts with rural councils. Presently only Maseru functions as council. Reforms proposed will see 1 city council, 10 district councils with 128 lower-tier community councils.	GDP (per capita)	US\$ 2,700
<i>Sub-national Government</i>			
Expenditure responsibilities	Traditional municipal services and infrastructure, including fire protection, family welfare, public health, town planning, roads, sports and leisure, cemeteries, etc.		
Sources of revenue	Central-government grants (approximately 90%); user charges; and rates (i.e. property tax)		
Importance of property tax	In Maseru rates provided a mere 3% of revenue for 2003/04.		
<i>Land Issues</i>			
Land tenure	All land held by the King in trust; no freehold; communal tenure		
Land titling	Deeds office		
<i>Taxes</i>			
National	Income tax (also on capital gains and donations received), VAT, estate duty, transfer duty	Sub-national	Rates
<i>Property-related Taxes</i>			
National	VAT Transfer duty: 3% to 4%	Sub-national	Rates: Only in Maseru

<i>Rates</i>		
Acts: The Valuation and Rating Act, 1980 Local Government Act, 1997		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	Land and improvements	Site plus improvements
Coverage of tax base	Properties within a 'designated area', including land and improvements held by the state	Currently only levied in the capital city Maseru
Taxpayer	'Owner' – broadly defined in the Act	
<i>Valuation & Assessment</i>		
Valuation	Land plus improvements; valuation roll must show all 3 values	
Responsibility	A valuer appointed by the responsible minister	Central government valuers; Maseru City Council appointed an in-house valuer in 2001
Valuation cycle	3 years, to be extended for a further 3 years (i.e. maximum of 6 years)	
Objection & appeal	Before an appeal the parties may agree to a value to be recorded in the valuation roll Appeals are dealt with by the Land Tribunal	
Quality control measures	Individual: objection and appeal Collective or external: none	
Tax rates	<ul style="list-style-type: none"> Ministerial approval for locally set rates Differential rates for different property categories Rates are set annually 	<u>Maseru (2000/2001)</u> : Residential properties: 0.25% Commercial properties: 2.00% Industrial properties: 2.75%
Exemptions	<ul style="list-style-type: none"> State-occupied property Properties used for 'public benefit' (i.e. libraries, museums, schools, churches, etc.) Properties below a value threshold set by the minister 	Although government properties are exempt, they pay a significant grant in lieu of rates.
<i>Tax Administration</i>		
Tax relief measures	Remittance (in whole or in part) or postponement of payments where property has been damaged or destroyed by an act of God or overwhelming force; or by reason of poverty	
Collection	Two half-yearly instalments, however shorter periods may be introduced	
Enforcement	<ul style="list-style-type: none"> Interest on arrears Clearance certificate for a transfer of ownership Forced sale 	Forced sales not used in practice
<i>Additional Comments</i>	<ul style="list-style-type: none"> The rating system in Maseru is in a state of disrepair, with extremely low coverage, outdated valuation roll, and poor collection and enforcement resulting in insignificant revenue Significant scope for improving the system in Maseru and for extending 	

	it to other towns – especially after the recent local government elections
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Appendix 1-7: Malawi



<i>Basic Country Information</i>			
Geographic size	118,480 km ²	Independence	1964
Capital	Lilongwe	Population	11.7 million
System of government	Multi-party democracy; two-tier government	Urbanisation	13%
Sub-national government	3 cities; 1 municipality; 8 townships and 27 districts – called assemblies	GDP (per capita)	US\$ 670
<i>Sub-national Government</i>			
Expenditure responsibilities	Primary education, hospitals and clinics, environmental protection, roads, markets and retail facilities, peace and security, registration of births and deaths, building planning, public amenities		
Sources of revenue	Ceded revenue (from central government) and government grants and transfers; rates, ground rent, fees and licences, service charges and commercial undertakings		
Importance of property tax	Most important own source of revenue for the 7 largest local authorities		
<i>Land Issues</i>			
Land tenure	Freehold, leasehold and alluvial tenure		
Land titling	Land registry; land policy reform programme in place		
<i>Taxes</i>			
National	Income tax, VAT (called 'surtax')	Sub-national	Rates, business licences and market fees
<i>Property-related Taxes</i>			
National	VAT, estate tax, CGT, transfer duty	Sub-national	Rates

<i>Rates</i>		
Act: Local Government Act, 1998		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	Improved value	Split rating in some councils, i.e. taxing land and improvements at separate rates
Coverage of tax base	All assessable properties (i.e. all land and improvements), save streets, sewers and sewage disposal works, cemeteries, public open space, railway lines used for transit	Only in the 3 cities (Lilongwe, Blantyre and Mzuzu), the 1 municipality (Zomba) and 8 towns and 4 of the district assemblies
Taxpayer	Owners	No legislative measure to go after occupier
<i>Valuation & Assessment</i>		
Valuation	Value of land and value of improved property with value of improvements being the residual value Valuation rolls must reflect all 3 values	The average per property cost of Lilongwe's 2001 valuation roll was US\$47.00 – the fee was an agreed percentage of the total value of the valuation roll
Responsibility	Private valuers appointed by assemblies, Ministry of Lands provides supervision Previously: Ministry of Lands	Lilongwe was the first to use private valuers for its 2001 revaluation
Valuation cycle	5 years	Some valuation rolls are older than 5 years, e.g. Blantyre (1991), Mzuzu (1994)
Objection & appeal	Valuer addresses objections An appeals procedure was omitted in the Act	The omission requires an urgent amendment of the Act
Quality control measures	Supervision by Ministry of Lands	
Tax rates	Set annually by assemblies Minister may set a minimum rate for properties with a 'minimum value'	<u>Lilongwe (2001/2002)</u> : All property uses: 1.5% High-density areas: 1.1% (i.e. low value residential properties)
Exemptions	Properties owned by diplomatic missions where these apply for exemption A 100% remission for the following properties (but not applying to residences for staff, or used for making profit) – <ul style="list-style-type: none"> • Vacant and unalienated public land; • Property used exclusively for public worship; • Public libraries and museums; • Hospitals and property owned by educational institutions • Property owned by a club, society or institution for the purposes of sport 	Few embassies actually apply for exemptions, providing councils with additional revenue from reliable taxpayers
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • Government pay only 50% of the rate on its assessable land • Arrears to be paid by instalments 	Government is often in default
Collection	<ul style="list-style-type: none"> • Becomes payable on the first day of 	Lilongwe: Two biannual

	<p>the rate period</p> <ul style="list-style-type: none"> Collection agents may be used 	<p>instalments; Banks and building societies collect (with the latter receiving commission on collections)</p>
Enforcement	<ul style="list-style-type: none"> 4% interest per month on arrears after 60 days Attachment of property and sale in execution after 3 years 	
<i>Additional Comments</i>	Plans are being put in place to extend rating to all the assemblies.	

Appendix 1-8: Mauritius



<i>Basic Country Information</i>			
Geographic size	2,040 km ²	Independence	1968
Capital	Port Louis	Population	1.2 million
System of government	Republic with a multi-party, parliamentary democracy	Urbanisation	43%
Sub-national government	9 districts and 5 municipalities, with more to be established under the Local Government Act, 2003 when it is enacted. There are 124 village councils. There are also 3 dependencies – with the island of Rodrigues having a regional assembly.	GDP (per capita)	US\$ 12,800
<i>Sub-national Government</i>			
Expenditure responsibilities	Municipal and district councils: Pre-school education, vocational and technical training, housing, roads, waste management and environmental protection, museums, cemeteries, libraries and parks, sports and leisure, as well as additional functions with ministerial approval.		
Sources of revenue	Grants and transfers from national government (approximately 60%); fees and charges; general rates (i.e. property tax); tenants' tax (commercial property); rentals and interest		
Importance of property tax	It is an important source own revenue source.		
<i>Land Issues</i>			
Land tenure	Freehold and leasehold		
Land titling	Formal tenure titling system		
<i>Taxes</i>			
National	Income tax, VAT, CGT	Sub-national	Property tax
<i>Property-related Taxes</i>			
National	VAT, transfer tax 'campement' site tax	Sub-national	Local rate, tenants' tax

Local Property Tax		
Act: Local Government Act, 2003 (formerly the Local Government Act, 1989)		
	Legislation	Practice
Tax Base & Taxpayer		
Tax base(s)	The 'cadastral value' (i.e. 'market value') of 'immovable property'	The previous annual rental value to be retained until a new cadastral database (i.e. valuation list) has been prepared
Coverage of tax base	In principle: all urban and rural land, but excluding (in the definition of 'immovable property') agricultural land, a flat or apartment, and a building or part thereof whether completed or not.	Previously only urban land in the 5 municipalities
Taxpayer	Owner (as defined could include a lessee of state-owned land or a person entitled to receive rent or, where the identity is unknown, the occupier	
Valuation & Assessment		
Valuation	'Cadastral value' – which equates to the market value, which must be reflected in an electronic 'cadastral database'	Previously net annual value as established by the Valuation Office
Responsibility	Any 'competent person' appointed by a municipal council	Previously only the government valuation agency
Valuation cycle	Not spelled out, Act merely states as 'determined from time to time'; Act dictates maintenance by valuation of new construction and other changes to the property	
Objection & appeal	A 3 member Local Government Valuation Tribunal hears the first 'appeal' with a further appeal to the Supreme Court possible	Tax payable pending appeal
Quality control measures	Monthly progress report regarding properties valued to be given by valuer to Chief Executive of the council	
Tax rates	Set annually by the council as 'a percentage of the cadastral value'; differential rates could be levied on different property use categories (i.e. 'residential, business, commercial, or industrial purposes')	
Exemptions	These are provided for in Part I of the 7 th Schedule; with the Minister having the power to grant further exemptions for properties as specified in Part II. The Act also provides that the Minister may grant an exemption for dwellings on properties zoned for agricultural purposes previously.	
Tax Administration		
Tax relief measures	The whole or part of the tax could be remitted, with Ministerial approval, on the basis of poverty	
Billing and collection	Notice of payment could be done in a	

	number of ways (personal, registered mail to present or last know address, delivered to another person of age on the premises, or affixed to a conspicuous part of the premises; payment in biannual instalments or monthly debit/bank order	
Enforcement	<ul style="list-style-type: none"> • 10% surcharge for late payment • 15% interest • Inscribed and uninscribed privilege (i.e. a preferential claim) on <i>all</i> immovable property belonging to the defaulting taxpayer • All movable and immovable property of the ratepayer could be attached • Summary process as provided for in the Recovery of State Debts Act <p>If the Financial Controller does not take action within 1 year after rate becomes due, he/she shall be held personally liable for such failure</p>	
<i>Additional Comments</i>	The Local Government Act has apparently not yet become effective.	

Appendix 1-9: Mozambique



<i>Basic Country Information</i>			
Geographic size	801,590 km ²	Independence	1975
Capital	Maputo	Population	18.8 million
System of government	Multi-party democracy; still coming to terms with the aftermath of 25 years of civil war.	Urbanisation	23%
Sub-national government	11 provinces; Local government only operative in a portion of the country. 33 municipalities, consisting of 23 cities and 10 towns. There are a further 106 towns without local government structures. First local government elections were held in 1999 in 36 urban areas. Elections were again held in November 2003.	GDP (per capita)	US\$ 1,200
<i>Sub-national Government</i>			
Expenditure responsibilities	In the context of Mozambique where local government is still in its infancy, it is not surprising that local government – where it exists – shares responsibilities with central government in the execution of economic, social and cultural programmes.		
Sources of revenue	Transfers; poll tax; property tax; business tax (tax on economic activities); licences and fees		
Importance of property tax	Set to become more important		
<i>Land Issues</i>			
Land tenure	All land was nationalised after independence and thus belongs to the government		
Land titling	Insecure titling of tenure rights		
<i>Taxes</i>			
National	Income tax, VAT, CGT	Sub-national	Property tax
<i>Property-related Taxes</i>			
National	VAT, CGT, property transfer tax	Sub-national	Urban property tax

Urban Property Tax		
Act: Decreto N° 52/2000 (Imposto Predial Autarquico) (i.e. Urban Authority Building Tax) under the Municipal Taxation Code		
	Legislation	Practice
Tax Base & Taxpayer		
Tax base(s)	Value of buildings	
Coverage of tax base	In urban authority areas only	Apparently only in the 3 largest cities (i.e. Maputo, Beira and Inhambane) – from 1 January 2003
Taxpayer	‘Owner’ of the building (i.e. person with the right of occupation)	
Valuation & Assessment		
Valuation	Under regulations enacted in a separate Act. Where the Meticule (local currency) devalues by more than 30%, the council can change the values of all properties on record	
Responsibility	No data	
Valuation cycle	No data	
Objection & appeal	No data	
Quality control measures	No data	
Tax rates	Decided locally, but with prescribed minimum and maximum rates – between 0.2% and 1.0%.	
Exemptions	<ul style="list-style-type: none"> • Local authority buildings • Embassies and consulates • Condemned or expropriated buildings, from relevant date 	
Tax Administration		
Tax relief measures	No data	
Billing and collection	Collected as an annual tax in 2 instalments, unless below MZM10,000 (then a single payment) Must be done in conformity with the provisions of the law	
Enforcement	Local authority may register a bond for collection of taxes	
Additional Comments	The new tax has only been introduced in January 2003 in Maputo. Its success can therefore not yet be measured accurately.	

Appendix 1-10: Namibia



<i>Basic Country Information</i>			
Geographic size	825,418 km ²	Independence	1990
Capital	Windhoek	Population	2 million
System of government	Republic Multi-party democracy	Urbanisation	27%
Sub-national government	16 municipal councils, 8 town councils, 24 village councils; 13 regional councils	GDP (per capita)	US\$ 7,300
<i>Sub-national Government</i>			
Expenditure responsibilities	Urban councils: Traditional municipal services, such as water and sanitation, waste management, and also economic promotion, environmental protection, tourism, as well as electricity.		
Sources of revenue	Grants (central government), rates (i.e. property tax); profits on trading services – such as electricity and water; user charges ¹		
Importance of property tax	At approximately 30% on aggregate it is a very significant source of own revenue.		
<i>Land Issues</i>			
Land tenure	Freehold and communal tenure; pending land redistribution program targeting commercial farmland		
Land titling	Registration of rights in a deeds office		
<i>Taxes</i>			
National	Income tax, VAT ² , transfer duty, land tax on commercial farmers (introduced in 2003)	Sub-national	Rates, profits on trading services
<i>Property-related Taxes</i>			
National	<u>Transfer duty:</u> N\$1-N\$60,000* for improved property 1% N\$60,000*-N\$250,000 5% N\$250,000+ 8% * N\$24,000 if unimproved <u>Stamp duty:</u> On the value of property transferred 1% A land tax on commercial farmers was introduced in 2003 – to provide additional funds for land redistribution.	Sub-national	Rates

Notes:

- 1 Many municipalities buy electricity and water in bulk and then provide these to end consumers, usually recovering more than cost. In some instances substantial profits are realised.
- 2 VAT was introduced in November 2000.

<i>Rates</i>		
Act: Local Authorities Act 23 of 1992		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	The Act allows local choice as regards the following tax bases: <ul style="list-style-type: none"> • Land only • Land and improvements (separately) • Improvements only • Total (i.e. improved) value • Area in settlement areas in rural areas 	Site plus improvements (i.e. composite or differential rating) is used in all municipalities and towns utilizing an ad valorem system. Small settlements generally utilize an are-based system.
Coverage of tax base	All rateable properties within area of jurisdiction of local authorities	
Taxpayer	Owner (or occupier of council property)	
<i>Valuation & Assessment</i>		
Valuation	Land (at market value) Improvements (estimated cost of construction) Valuation roll must show 3 values (i.e. site, improvements and total value)	
Responsibility	Any 'fit and proper person' may be appointed as a valuer for purposes of preparing a valuation roll	<ul style="list-style-type: none"> • In-house valuation department in the case of Windhoek City Council • Private sector valuers are contracted in all other instances • There are fewer than 15 registered valuers in Namibia.
Valuation cycle	Maximum 5 years	
Objection & appeal	Valuation Court (objections) High Court (appeals)	
Quality control measures	Individual: objection and appeal Valuation court considers all valuations (i.e. complete valuation roll)	
Tax rates	<ul style="list-style-type: none"> • Ministerial approval for annually-determined rates of smaller councils • Uniform rates (e.g. Windhoek) or differential rates for different property categories • Significantly higher rates on land value (in comparison to the rate on improvements) 	<ul style="list-style-type: none"> • Windhoek, Walvis Bay, Swakopmund determine their own uniform rates annually (apparently without the requirement of ministerial approval) • Most councils use uniform rates for different property use categories • If undeveloped residential properties in Windhoek remain undeveloped after a specified period, the tax rate is increased significantly – to stimulate development. • <u>Windhoek (2000/2001):</u>

		Site value: 2.127% Improvements: 0.564% • <u>Walvis Bay (2000/2001)</u> : Site value: 4.696% Improvements: 0.240%
Exemptions	<ul style="list-style-type: none"> • Public libraries, museums • Schools • Churches • Hospitals, etc. 	
<i>Tax Administration</i>		
Tax relief measures	Rebates are commonly utilized to counter the impact of uniform rates	<ul style="list-style-type: none"> • 20% rebate for state-owned buildings (other than dwellings) • Between 60- 75% rebate for agricultural land (small holdings within municipal boundaries)
Collection	Monthly instalments	
Enforcement	<ul style="list-style-type: none"> • Interest on arrears • Clearance certificate • Seizure and public sale after 3 years 	
<i>Additional Comments</i>	The recently introduced land tax on commercial farms is administered by central government and is land reform instrument rather than a source of general revenue.	

Appendix 1-11: Nigeria



<i>Basic Country Information</i>			
Geographic size	933,768 km ²	Independence	1960
Capital	Abuja	Population	135 million
System of government	Federal republic, multi-party democracy (since 1999) after years (1992-1999) of military rule	Urbanisation	44%
Sub-national government	36 states and 1 territory (Abuja Federal Capital Territory) and 774 local government authorities – 6 of which are area councils in the Federal Capital Territory.	GDP (per capita)	US\$1,000
<i>Sub-national Government</i>			
Expenditure responsibilities	The Nigerian Constitution prescribes the core local government functions as pre-school, primary and adult education, public health, town and regional planning, roads and transport services, refuse collection and disposal, cemeteries and crematoria, environmental protection, sports and leisure, religious facilities and open spaces.		
Sources of revenue	Grants (significant); rates; licences and fees; fines; earnings from commercial undertakings; other minor taxes and charges; interest. Collection is mostly done by federal and state governments.		
Importance of property tax	Important in larger urban areas.		
<i>Land Issues</i>			
Land tenure	Leasehold – as a result of the Land Use Act of 1978 all land is vested in the Governors of the respective states.		
Land titling	Dysfunctional paper-driven system in Lagos State to be replaced by GIS-driven land titling. 20 intricate, time-consuming and costly steps to have a property registered in the Land Registry.		
<i>Taxes</i>			
National	Income tax, VAT, customs and excise duties	Sub-national	Property tax (local), poll tax (state)
<i>Property-related Taxes</i>			
National	VAT, CGT, stamp duty	Sub-national	Land use charge (Lagos State), Property tax (local in many states)

Note:

1. There is significant revenue sharing amongst the various tiers of government.

<i>Land Use Charge (State of Lagos)</i>																				
Land Use Charge Law 11 of 2001																				
	<i>Legislation</i>	<i>Practice</i>																		
<i>Tax Base & Taxpayer</i>																				
Tax base(s)	Capital value according to the following formula: [(LA x LV) + (BA x BV X PCR)] i.e. (Land area in metres square x average land value in the area) + (building area in m ² x average value of a medium quality building in the area per m ² x the Property Code Rate for the building – which accounts for a higher or lower value than the average and also accounts for the degree of completion of construction.	Formerly tenement rates were based on annual rental values.																		
Coverage of tax base	No data	Unique property identification numbers for each of the more than 600,000 properties in the Lagos Metropolitan area, and an equal number elsewhere in the State, are envisaged.																		
Taxpayer	Owner or in some instances the occupier																			
<i>Valuation & Assessment</i>																				
Valuation	<ul style="list-style-type: none"> • Estimation of capital values on a generalised basis • Calculation of land value and thereafter the value of the building(s) with factor accounting for quality 	It is argued that there is insufficient evidence of capital values.																		
Responsibility	Commissioner for Finance must appoint property identification officers and assessors.																			
Valuation cycle	No data																			
Objection & appeal	Objections to Assessment Appeal Tribunal Appeal to High Court																			
Quality control measures	No data																			
Tax rates	Differential rates on the basis of use. <table border="1"> <thead> <tr> <th>Rates</th> <th>2001</th> <th>2002</th> </tr> </thead> <tbody> <tr> <td>Residential (owner-occupied)</td> <td>0.15%</td> <td>0.0375%</td> </tr> <tr> <td>Institutional</td> <td>NIL</td> <td>NIL</td> </tr> <tr> <td>Commercial</td> <td>1.75%</td> <td>0.375%</td> </tr> <tr> <td>Industrial</td> <td>0.50%</td> <td>0.125%</td> </tr> <tr> <td>Corporate res.</td> <td>0.65%</td> <td>0.125%</td> </tr> </tbody> </table> <p>These rates are to be applicable for 7 years from 1 January 2002.</p>	Rates	2001	2002	Residential (owner-occupied)	0.15%	0.0375%	Institutional	NIL	NIL	Commercial	1.75%	0.375%	Industrial	0.50%	0.125%	Corporate res.	0.65%	0.125%	Public and political pressure resulted in significant 75% reduction in tax rates in 2003
Rates	2001	2002																		
Residential (owner-occupied)	0.15%	0.0375%																		
Institutional	NIL	NIL																		
Commercial	1.75%	0.375%																		
Industrial	0.50%	0.125%																		
Corporate res.	0.65%	0.125%																		
Exemptions	<ul style="list-style-type: none"> • Places of worship • Recognised non-profit educational institutions • Cemeteries • Public libraries • Palaces of recognised Chiefs Partial relief may be granted to – <ul style="list-style-type: none"> • Amusement parks 																			

	<ul style="list-style-type: none"> • Sports grounds • Properties used for charitable purposes and owned by the government 	
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • Pensioners • Family compounds 	
Billing and collection	<p>Responsibility of LGAs, but they may delegate this function to the State government</p> <p>The banking system is used extensively (as a measure to curb corruption)</p>	Weak and corrupt – significant losses through ‘leakages’ (in 1997 collection levels were estimated at below 25% for LGAs and 5% for State land-related revenues).
Enforcement	<ul style="list-style-type: none"> • Payment within 15 days: 15% discount • Payment within 16-45 days: assessed amount • Payment between 46-75 days: 25% surcharge • Payment between 76-105 days: 50% surcharge • Payment between 106-135 days: 100% surcharge • After 135 days: Notice to Revenue Court to initiate receivership of property • Receivership to be advertised in 2 national newspapers 	Use of State police force in collection efforts.
<i>Additional Comments</i>	<ul style="list-style-type: none"> • The Land use charge brought about the abolition of various taxes and charges (e.g. tenement rates, ground rents, neighbourhood improvement charges) and their consolidation into a single tax instrument. • Revenue shared between state government and local government, with LGA’s receiving disbursements monthly. • A legal challenge about the constitutionality of a state property tax was withdrawn when the rates were reduced. • See http://wbln0018.worldbank.org/UrbanCalendar/urban.nsf 	

Appendix 1-12: Seychelles (No Property Tax)



<i>Basic Country Information</i>			
Geographic size	455 km ²	Independence	1976
Capital	Victoria	Population	81,000
System of government	Republic; multi-party democracy	Urbanisation	59%
Sub-national government	25 administrative districts serving as agents for central government.	GDP (per capita)	US\$ 7,800
<i>Sub-national Government</i>			
Expenditure responsibilities	Administrative districts function as agencies for service delivery and have no legislative or taxation powers. Services are provided by central government or parastatals.		
Sources of revenue	None. Property tax was abolished in 1977.		
Importance of property tax	Only real property transfer tax; no annual tax on real property		
<i>Land Issues</i>			
Land tenure	No data		
Land titling	No data		
<i>Taxes</i>			
National	Income tax, trade tax, goods and services tax, licence fees	Sub-national	None
<i>Property-related Taxes</i>			
National	Stamp duty: <u>Citizens:</u> 4% on 1 st SR50,000 plus 10% on the balance of value <u>Non-citizens:</u> An additional 40%	Sub-national	None

Appendix 1-13: Sierra Leone



<i>Basic Country Information</i>			
Geographic size	71,740 km ²	Independence	1961
Capital	Freetown	Population	6.0 million
System of government	Constitutional democracy; stability still problematic after civil war (1991-2002) and tensions in neighbouring Liberia and Guinea	Urbanisation	37%
Sub-national government	3 provinces; 1 area; strong traditional authorities – 149 chiefdoms; 19 local councils, consisting of 13 district councils; 5 town councils and 1 city council (Freetown).	GDP (per capita)	US\$600
<i>Sub-national Government</i>			
Expenditure responsibilities	Chiefdoms, development plans, any devolved functions; as capacity increases at local government level more responsibilities will be devolved.		
Sources of revenue	Grants from central government; taxes (power to tax derived from 1991 Constitution – section 110(4)) such as the local tax and property rates; mining revenues; licences, fees and charges. The local tax, collected by chiefdom councils, is shared between local councils and the chiefdoms		
Importance of property tax	In principle important, but not yet in practice.		
<i>Land Issues</i>			
Land tenure	Traditional tenure, as well as state and private ownership		
Land titling	Insecure tenure – especially in rural areas		
<i>Taxes</i>			
National	Income tax, sales taxes (to be replaced by VAT soon), customs and excise duties, payroll tax	Sub-national	Property rates, share in mining revenues, local tax (= poll tax)
<i>Property-related Taxes</i>			
National	Stamp duty	Sub-national	Property rates

<i>Rates</i>		
Act: Local Government Act, 2004		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	Assessed annual values of buildings	
Coverage of tax base	Occupied or unoccupied buildings; also government- and local government-owned	Poor, even in Freetown
Taxpayer	Owner	
<i>Valuation & Assessment</i>		
Valuation	Valuer appointed by local council	
Responsibility	Assessment committee (members of local council)	
Valuation cycle	Roll remains in force 'until replaced'; no time period as such is stipulated	
Objection & appeal	To be prescribed by regulation	
Quality control measures	Not specified	
Tax rates	Uniform rate per class of assessed building	
Exemptions	Churches; hospitals; charities; crematoria; educational facilities, diplomatic missions	
<i>Tax Administration</i>		
Tax relief measures	Differentiation implied in the Act	
Billing and collection	Payment in 2 or more instalments	Extremely weak administration
Enforcement	<ul style="list-style-type: none"> • Attachment of movables (including those belonging to an occupier) to be sold by public auction • Sale of building after only 6 months 	
<i>Additional Comments</i>	Taxpayer perceptions are causing problems; poor resource base at local government level (UNDP,2004)	

<i>Property Rates</i>		
Acts: Various provincial ordinances		
Local Government: Municipal Property Rates Act 6 of 2004 (MPRA)		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	<u>Ordinances:</u> <ul style="list-style-type: none"> • Land (i.e. site) value • Land and improvements as separate taxable objects, at different rates • Improved value <u>MPRA:</u> <ul style="list-style-type: none"> • Market value only (i.e. capital improved value) 	All 3 systems are still utilised extensively, but when the MPRA is fully operational (by 2009) a single, uniform base (i.e. market value) will apply
Coverage of tax base	<u>Ordinances and MPRA:</u> All rateable properties within the area of jurisdiction of a metropolitan or local municipality. <u>MPRA:</u> The following properties are excluded from the tax base: <ul style="list-style-type: none"> • 30% of the value of public service infrastructure • Coastline and off-shore islands • Places of public worship • Owned by land reform beneficiaries for a period of 10 years from acquisition • Parts of national parks and nature reserves not used for commercial purposes 	<ul style="list-style-type: none"> • Coverage is generally excellent or at least good in urban areas. • Currently rates are being extended to formerly untaxed rural areas which now form part of local municipalities • The base has also been extended to include public utilities (called 'public service infrastructure')
Taxpayer	Owner (or occupier of municipal-owned property)	
<i>Valuation & Assessment</i>		
Valuation	<u>Ordinances:</u> Land (market value), improvements (as a residual value [deducting land value from total improved value], or the estimated cost of construction minus depreciation in some provinces) Valuation rolls must show all 3 values (i.e. site, improvements and total value) <u>MPRA:</u> Only market value	To be changed to only improved value
Responsibility	Only registered valuers may be appointed as municipal valuers <u>Ordinances and MPRA:</u> <ul style="list-style-type: none"> • In-house: About 20 of the largest municipalities • Private sector in respect of all other municipalities 	More than 2,000 registered valuers or assistant valuers in South Africa, but with only approximately 20% involved in municipal valuations.
Valuation cycle	<u>Ordinances:</u>	Very few councils are not

	4-5 years <u>MPRA:</u> 4 years with a possible 1 year extension (i.e. maximum 5 years)	adhering to the statutory period
Objection & appeal	<u>Ordinances:</u> Valuation Board (objections) Valuation Appeal Board - in some provinces (appeals) High court (appeals on points of law only) <u>MPRA:</u> Municipal valuer (objections) Valuation appeal board (appeals)	<u>MPRA:</u> A simplified system with an objection to the valuer and a single appeal to a Valuation Appeal Board will be introduced
Quality control measures	<u>Ordinances:</u> No formal quality control as far as the valuation roll in its entirety is concerned <u>MPRA:</u> Ad hoc external quality controls introduced by MPRA, but weak	<u>MPRA:</u> The minister is responsible for quality control, rather than a technical government agency.
Tax rates	<u>Ordinances and MPRA:</u> Councils determine their own rates annually <u>Ordinances:</u> Uniform rates for all property uses, but rebates imply differentiation Councils using composite rating charge higher rates on land value <u>MPRA:</u> <ul style="list-style-type: none"> • Differential rates in respect of different property categories • No differentiation allowed in respect of residential properties within a specific municipality 	Under ordinances differentiation between property use categories was achieved indirectly through a system of rebates (e.g. for residential properties)
Exemptions	<u>Ordinances:</u> Few partial or full exemptions – as granted by individual municipalities <u>MPRA:</u> <ul style="list-style-type: none"> • Local decision, to be justified in rates policy and cost of which must be reflected in annual budget • Possible national guidelines to be issued 	
<i>Tax Administration</i>		
Tax relief measures	<u>Ordinances:</u> <ul style="list-style-type: none"> • 20% rebate for state-owned property • Rebates for residential properties in some provinces <u>MPRA:</u> <ul style="list-style-type: none"> • On basis of property categories – local decision • Possibility of national guidelines 	Relief on basis of age, physical or mental disability and/or income
Collection	Monthly instalments	
Enforcement	<ul style="list-style-type: none"> • Interest on arrears 	Most of the enforcement

	<ul style="list-style-type: none"> • Clearance certificate required before a transfer of ownership is possible • Seizure and public sale after 3 years • Collection from tenants or agents – where applicable 	mechanisms are dealt with in the Local Government: Municipal Systems Act 32 of 2000.
<i>Additional Comments</i>	The MPRA will become operative on 2 July 2005 and its provisions will be phased in over a transitional period of 4 years.	

<i>Rates</i>		
Act: Rating Act, 1995		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	<ul style="list-style-type: none"> • Land only • Land and improvements • Improvements only • Total (i.e. improved) value 	Site plus improvements (i.e. 'split-rating')
Coverage of tax base	All rateable properties within area of jurisdiction of local authorities	Presently only 2 cities and 4 towns are designated as rating authorities. Coverage within Mbabane and Manzini is apparently good.
Taxpayer	Owner (i.e. 'leaseholder')	
<i>Valuation & Assessment</i>		
Valuation	Land and improvements (at market value) Value of mineral rights must be excluded Valuation roll must show 3 values (i.e. site, improvements and improved value)	All 3 values must be reflected on valuation rolls
Responsibility	Local authorities appoint a valuer from a 'panel of eligible valuers' as gazetted by the minister	Private sector valuers are used in practice. There are fewer than 10 registered valuers in Swaziland.
Valuation cycle	Maximum 5 years	
Objection & appeal	Valuation Court (objections) High Court (appeals)	
Quality control measures	Individual: objection and appeal	
Tax rates	<ul style="list-style-type: none"> • Rates are struck annually • Ministerial approval for differentiation of rates 	<ul style="list-style-type: none"> • Differential rates are commonly used. <u>Mbabane (2000/2001):</u> <u>Site Value:</u> Residential 1.96% Commercial 5.91% Government 2.12% <u>Improvements:</u> Residential 0.33% Commercial 0.99% Government 2.12% <ul style="list-style-type: none"> • The significantly higher rate on government-owned property is noteworthy. • Manzini also uses differential rates
Exemptions	<ul style="list-style-type: none"> • Public libraries • Museums • Schools • Churches • Hospitals • Embassies, etc. 	
<i>Tax Administration</i>		
Tax relief measures	Relief mechanisms are not stipulated	

Collection	Annually, but may arrange for monthly instalments	
Enforcement	Interest on arrears Clearance certificate for a transfer of ownership Legal proceedings to be initiated within 2 years from due date Seizure and public sale after 3 years	

Appendix 1-16: Tanzania



<i>Basic Country Information</i>			
Geographic size	945,087 km ²	Independence	1964
Capital	Dodoma (until recently it was Dar es Salaam)	Population	36.6 million
System of government	United republic (between Mainland Tanzania and Zanzibar); multi-party democracy	Urbanisation	30%
Sub-national government	26 administrative regions (of which 5 on Zanzibar); 22 urban authorities (2 cities, 12 municipalities and 8 towns); 3 township authorities; 92 district authorities. Additional districts are envisioned under ongoing local government reforms.	GDP (per capita)	US\$700
<i>Sub-national Government</i>			
Expenditure responsibilities	Traditional local government responsibilities, as well as social, economic and industrial development and overseeing effective service delivery.		
Sources of revenue	Grants from central government; property rates, market dues, city service levy (in Dar es Salaam), business licences, ground rent. In 2003 and 2004 a number of so-called nuisance taxes were abolished as part of a major rationalization effort. Amongst the taxes abolished were the development levy (i.e. poll tax) (in 2003) and most business licences (in 2004).		
Importance of property tax	In some councils most important own revenue source, or at least within the first four most important own sources of revenue.		
<i>Land Issues</i>			
Land tenure	All land is public land, leasehold (primarily 33 years), rights of occupancy		
Land titling	Poorly-resourced land registration office		
<i>Taxes</i>			
National	Income tax, VAT, CGT	Sub-national	Rates, city service levy (in Dar es Salaam), bill board levies
<i>Property-related Taxes</i>			
National	<u>Transfer duty:</u> Sliding scale up to 1.5%	Sub-national	Rates

<i>Rates</i>		
Acts: Urban Authorities (Rating) Act 2 of 1983 Local Government Finances Act 9 of 1982		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	<ul style="list-style-type: none"> • Replacement cost of buildings for properties on a valuation roll • Flat rate (according to use and size) for properties not on a valuation roll 	<ul style="list-style-type: none"> • A dual system (i.e. value-based as well as flat rate) apply in most jurisdictions • In some jurisdictions there are up to 60 different flat rate categories, complicating the administration thereof
Coverage of tax base	<ul style="list-style-type: none"> • Improvements only • A land rent on land is charged by the Ministry of Lands and Human Settlement Development 	<ul style="list-style-type: none"> • Vacant properties are exempted from rates • Land rents are poorly collected
Taxpayer	'Owner' – i.e. holder of a right of occupancy	
<i>Valuation & Assessment</i>		
Valuation	Registered valuer (i.e. a so-called 'valuation surveyor')	Very few valuers in the country causes high cost and outdated valuation rolls
Responsibility	Government/Municipality – in most instances outsourced	<ul style="list-style-type: none"> • Private valuers, with municipal valuers doing supervision • Supplementary valuations in some instances by municipal valuers • With fewer than 110 registered valuers in Tanzania, the present system cannot be sustained
Valuation cycle	5 years	Capacity problems causes many rolls to be outdated and many properties to be taxed on a flat rate basis, or not being taxed at all
Objection & appeal	<ul style="list-style-type: none"> • Objections are heard by the valuer • Rating Valuation Tribunals are constituted to deal with appeals • On a point of law a further appeal to the High Court is possible 	Rating Valuation Tribunals are costly – consisting of as many as 7 members
Quality control measures	No formal measures	Municipal valuers monitor valuations done by private consultant valuers
Tax rates	Percentage of rateable value	Very low rates, e.g. 0.15% in Dar es Salaam (except for non-residential properties in Ilala municipal council where the rate has been increased to 0.2% in 2001)
Exemptions	<ul style="list-style-type: none"> • Traditional exemptions (e.g. 	Very broad in scope and

	churches, cemeteries) <ul style="list-style-type: none"> • Government property; used or reserved for use by the local authority • Unoccupied property • Property used for any public purpose (as stated by Minister) 	categories
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • Unoccupied for more than 6 months – exemption granted • Rating authority may reduce or remit as it sees fit 	
Collection	<ul style="list-style-type: none"> • Rating authority responsible • Interest of 1% per month on arrears 	Municipal valuers play an important role in collection of rates
Enforcement	<ul style="list-style-type: none"> • Civil action • Attachment of property or rent • Charge on property with priority over any other claims, but claims by the central government • Court brokers 	Measures seldom used effectively in practice
<i>Additional Comments</i>	Upgrading of valuation rolls has been undertaken in Dar es Salaam and 8 regional towns from 1999 to 2001, but valuation rolls remain incomplete. The capacity does not exist in-house nor in the private sector to maintain the current system of property taxation in Tanzania (Franzsen et al, 2002).	

Appendix 1-17: Uganda



<i>Basic Country Information</i>			
Geographic size	236,040 km ²	Independence	1962
Capital	Kampala	Population	27.3 million
System of government	Republic; multi-party democracy	Urbanisation	15%
Sub-national government	5 levels of local government: 1 city council; 56 district councils (with approx. 900 sub-counties); 13 municipal councils; 63 town councils, more than 40,000 parishes and village councils.	GDP (per capita)	US\$1,500
<i>Sub-national Government</i>			
Expenditure responsibilities	In terms of the 1995 Constitution and 1997 Local Governments Act Uganda's local governments are responsible for a large array of functions, being highly decentralised.		
Sources of revenue	Grants from central government; graduated personal tax (i.e. a poll tax); rates; market duties, parking fees		
Importance of property tax	Important source in Kampala and a few municipal councils, but overshadowed by grants and the graduated personal tax.		
<i>Land Issues</i>			
Land tenure	Freehold, leasehold, mailo (a unique form of freehold), traditional tenure		
Land titling	Approx. 15% surveyed; freehold registered, but land register in a state of disrepair; 85% held as traditional tenure		
<i>Taxes</i>			
National	Income tax, VAT, stamp duty	Sub-national	Graduated tax, rates, market duties
<i>Property-related Taxes</i>			
National	Stamp duty of 1%	Sub-national	Rates

<i>Rates</i>		
Acts: Local Authorities (Rating) Decree of 1979 Local Authorities (Rating) Bill, 2004		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	<ul style="list-style-type: none"> • ‘rateable value’, i.e. in respect of a non-industrial ‘hereditament’: the ‘gross value’ (rental value) minus a percentage allowed by the minister: the amount arrived at being the ‘net annual value’ • in respect of an industrial hereditament: gross rental value equals ‘net annual value’ 	‘Net annual value’ is deduced from evidence obtained from the rental market. Limited evidence, especially outside Kampala
Coverage of tax base	A ‘hereditament’ includes ‘any land, tenement, building (industrial or non-industrial) or structure of any kind’, but excludes vacant sites	Where a single owner owns an apartment building, it is taken as a single hereditament
Taxpayers	The ‘owner’ of the hereditament	
<i>Valuation & Assessment</i>		
Valuation	A registered valuer on the request of the local government (rating authority)	
Responsibility	Chief Government Valuer, or where he/she is unable, another registered valuer appointed by the CGV with the written approval of the minister	<ul style="list-style-type: none"> • Extremely limited capacity to perform the tasks required by statute (with only 3 valuers in the CGV office) • There are fewer than 25 registered valuers in Uganda
Valuation cycle	At least every 5 years (unless extended by the minister)	Most valuation lists are older than 5 years
Objection & appeal	<ul style="list-style-type: none"> • Valuation court deal with objections • Appeal are heard by the High Court 	
Quality control measures	None	
Tax rates	Determined by the local government itself, although the Act prescribes a minimum and a maximum of 20% of the net annual value	<u>Kampala City Council (2002):</u> Residential: 6.0% Non-residential: 10.0 % <u>Jinja Municipal Council (2002):</u> All properties uses: 8.0%
Exemptions	<ul style="list-style-type: none"> • Property occupied by the President • Cemeteries • Properties used exclusively for public worship • Properties used by charitable or educational institutions • Properties used for sports and recreational purposes 	
<i>Tax Administration</i>		
Tax relief measures	Subject to ministerial approval, a local government may “reduce or remit” the payment of rates in respect of any	

	hereditament within the rating area	
Collection	<ul style="list-style-type: none"> • Rates are payable in two equal instalments at dates set by the local government • Interest at 2% per month payable on arrears • Rates payable despite pending appeal against rateable value 	Decree does not mention any procedural measures regarding billing
Enforcement	<ul style="list-style-type: none"> • Demand notice to be served on owner; local government may apply to Magistrate for a summary warrant • Recovery without demand notice (civil procedure) • Attachment of rent • Rates shall be a first charge against the hereditament for a period of 3 years 	Mechanisms seldom used in practice
<i>Additional Comments</i>	A new Property Rates Bill was published for comment in early 2003, then withdrawn and a further updated and amended bill was then published for comment in 2004.	

Appendix 1-18: Zambia



<i>Basic Country Information</i>			
Geographic size	752,614 km ²	Independence	1964
Capital	Lusaka	Population	11.3 million
System of government	Republic; multi-party democracy	Urbanisation	38%
Sub-national government	9 provinces; 72 town councils, consisting of 4 city councils, 14 municipal councils, and 54 rural councils.	GDP (per capita)	US\$900
<i>Sub-national Government</i>			
Expenditure responsibilities	Numerous functions outlined in the Local Government Act, 1991 in the areas of community development, agriculture, administration, public amenities, education, public health, public order, sanitation and drainage.		
Sources of revenue	Government grants (only approximately 3%); local taxes such as property rates, business licences, personal levy (i.e. poll tax)(approximately 60%) and fees and charges (18%). With diverse receipts (20%).		
Importance of property tax	Important own source of revenue (e.g. more than 50% of own revenue for Lusaka City Council)		
<i>Land Issues</i>			
Land tenure	Leasehold, traditional tenure		
Land titling	Deeds registry, traditional tenure		
<i>Taxes</i>			
National	Income tax, VAT, fuel tax	Sub-national	Rates, business licences
<i>Property-related Taxes</i>			
National	Property transfer tax of 2.5%	Sub-national	Rates

Rates		
The Rating Act, 1997 and the Rating Amendment Act of 1999		
	Legislation	Practice
Tax Base & Taxpayer		
Tax base(s)	<ul style="list-style-type: none"> • Capital improved value of rateable properties within a declared 'rateable area' • Vacant land is included in the base from 1997 • Flat rate for properties not on a valuation roll 	Flat rates are utilised by 10 councils for properties not reflected in the valuation rolls
Coverage of tax base	<ul style="list-style-type: none"> • All land or property (including government property, serviced land – whether developed or undeveloped, and agricultural land and buildings not primarily used for agriculture), within rating authority area 	
Taxpayer	Leaseholder (in certain cases the occupier)	
Valuation & Assessment		
Valuation	Rateable value is the capital (improved) value of the (leasehold) property as if sold on the open market	
Responsibility	<ul style="list-style-type: none"> • Only registered valuers (valuation surveyors) appointed by the rating authority, subject to the minister's approval • An officer of the Government Valuation Department is responsible for the preparation of valuation rolls • Where the government valuation department is unable to undertake the preparation of a main or supplementary valuation roll, an in-house (i.e. a full-time officer of the rating authority) or a valuer engaged in private practice (subject to the regulations under the Zambia National Tender Board Act) may be appointed 	<ul style="list-style-type: none"> • GVD prepare the valuation rolls for small towns and facilitate the contracting of private valuers in larger towns • Lusaka, Kitwe and Ndola have an in-house department, but also use private valuers • 115,000 rateable properties in Lusaka to be valued for US\$450,000 (i.e. US\$3.90 per parcel) • With fewer than 50 registered valuers in Zambia, it is not possible to regularly revalue all 72 towns
Valuation cycle	Every 5 years, or such a longer period as the minister may approve	In Lusaka the current roll is the 1995 roll, but a tender has been awarded for a general revaluation in 2002
Objection & appeal	Rating valuation tribunal hears objections; appeals to the High Court	In Lusaka there were only 20-30 appeals of which 5 or 6 were upheld
Quality control measures	No specific measures in legislation	Limited – to extent Government Valuation Department is responsible for preparation of valuation rolls
Tax rates	<ul style="list-style-type: none"> • Approval of locally set rates by the 	Lusaka (2002/2003):

	<p>Tribunal after adoption of a new valuation roll, or if a higher rate is set on the same roll, with the approval of the minister</p> <ul style="list-style-type: none"> • Differential rates for different property categories, set annually • Higher rates on undeveloped properties 	<p>1% for residential properties; 1.5% for commercial properties</p>
Exemptions	<ul style="list-style-type: none"> • Properties owned by the state although the minister may make a grant in lieu of (and equal to the rates payable) of rates • Excluded is property in occupation by the President as head of state, public utilities concerned with water storage, water supply, or collection, treatment or disposal of sewerage, property used for primarily for public worship, cemeteries, public libraries and museums, military airports, railway tracks, premises used for sports and recreation, other property as the minister may prescribe 	
<i>Tax Administration</i>		
Tax relief measures	Ratepayers may apply for a remission of the whole or part of the rate payable	
Collection	<ul style="list-style-type: none"> • The rating authority may direct payment of rates by such equal instalments and on such dates as it may specify • If instalments and dates of payment are not specified, the total amount of rates is payable on the first day of the rate period • Rates are not payable until the rate levy has been approved by the Tribunal 	<ul style="list-style-type: none"> • 35-40% respond only after demand notices have been issued • Privatisation in 2001 did not work well, so council in Lusaka now again responsible for collection
Enforcement	<ul style="list-style-type: none"> • Distrain upon the personal goods and chattels • Civil action • Attachment of rent 	
<i>Additional Comments</i>	With prior approval from the minister a special rate may be levied to defray the costs pertaining to a capital works scheme which has benefited owners within a rateable area	

Appendix 1-19: Zimbabwe [Membership of the Commonwealth terminated in 2003]



<i>Basic Country Information</i>			
Geographic size	390,580 km ²	Independence	1980
Capital	Harare	Population	12.7 million
System of government	Republic; multi-part democracy under threat by the current ruling party (ZANU-PF)	Urbanisation	31%
Sub-national government	8 provinces; 3 cities (i.e. Harare, Bulawayo and Mutare) and 22 other urban authorities and 58 rural local authorities	GDP (per capita)	US\$ 1,900
<i>Sub-national Government</i>			
Expenditure responsibilities	Development and planning of its area of jurisdiction, water and roads, health services, refuse removal, sanitation and drainage, cemeteries, provision of housing and serviced stands, There is a strong drive for more decentralisation of functions to local authorities		
Sources of revenue	Urban rates (in urban areas) and 'land development levy' (in rural areas); business and trade licensing; service charges and national transfers		
Importance of property tax	Important (approximately 20% of total sub-national revenues)		
<i>Land Issues</i>			
Land tenure	Freehold and communal tenure Significant land tenure reform in the form of land redistribution of white-owned commercial farms under way since 2000, land grabbing by ruling party officials reported		
Land titling	Deeds Office		
<i>Taxes</i>			
National	Income tax, VAT, CGT	Sub-national	Rates
<i>Property-related Taxes</i>			
National	VAT, CGT, property transfer tax	Sub-national	Rates

<i>Rates</i>		
Act: Urban Councils Act of 1995 Rural District Councils Act of 1988		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base(s)	<p><u>Urban areas:</u></p> <ul style="list-style-type: none"> • Non-residential property: Estimated price to be paid by a willing buyer to a willing seller in a voluntary sale on the open market (i.e. market value). Land is valued as if unimproved, and the improved value is also assessed, with the value of improvements being the residual value. • Residential property: An assessment of the number of ‘rating units’ to be assigned to a property and determining the rating zone in which it is located <p><u>Rural areas:</u> Not based on value, but on the area of land owned, or number of employees or output (for mining properties), or number of licences (or permits) issued for use of rural land. The tax on rural land is called the ‘land development levy’</p>	
Coverage of tax base	Urban properties are generally well covered in the larger municipalities	
Taxpayer	Owner of property	
<i>Valuation & Assessment</i>		
Valuation	<p><u>Non-residential properties:</u> Market value for land and improved property, with value of improvements being a residual value.</p> <p><u>Residential properties:</u></p> <ul style="list-style-type: none"> • Rating units: Area equal to minimum plot size allowed under the relevant town planning scheme (where applicable), or as decided by the council • Rating zones: Area to be divided into rating zones containing properties of approximately the same size and value and must contain properties adjacent to each other. 	
Responsibility	<p>Council appoint valuation officers and – should the need arise – assistant valuation officers to undertake a general valuation of all non-residential properties; councils must also cause supplementary valuations (or assessments) to be made.</p> <p>At least 24-hour notice to be given before entry onto a property or alternatively intention must be published in 2 issues of a local newspaper</p>	<p>Larger councils have in house valuation departments; smaller councils request valuation rolls to be prepared by the Chief Government Valuation Office, or an open tender process is used to appoint a private valuer</p>

Valuation roll	Must reflect at least the name of the owner, brief property description, the land area, the value (land plus improvements stated separately for non-residential) or assessment (number of rating units and rating zone for residential) property	
Valuation cycle	Not less than 3 and not more than 10 years	Despite a 10-year maximum, some rolls are outdated
Objection & appeal	All interested parties have a right to object; a Valuation Board for every council area; appeal to Supreme Court only on points of law; cost order may be given where an objection is deemed unreasonable or frivolous.	
Quality control measures	None	
Tax rates	<p>Rates are set annually and are determined locally, but with ministerial control over setting of rates in high-density areas. This has a major impact on especially large municipalities (e.g. Harare).</p> <p><u>Non-residential properties (urban areas):</u></p> <ul style="list-style-type: none"> Split rates may be used for land and improvements respectively, or a single rate on land, or a single rate on the improved value With Ministerial approval, different rates may be levied on different classes of property (e.g. commercial and industrial) <p><u>Rural areas:</u> Set locally.</p>	<ul style="list-style-type: none"> <u>Bulawayo (1974 to 1994):</u> (Rates increased as follows over the 20 year lifespan of the previous valuation roll) <u>Residential:</u> Land – 0.9% to 15.3% Improvements: 0.25% to 2.10% <u>Non-residential:</u> Land – 0.9% to 15.3% Improvements: 0.25% to 2.10% <u>Harare (1997):</u> <u>Residential:</u> Land: 10c per Z\$100 Improvements: 7c per Z\$100 <u>Non-residential:</u> Land: 26c per Z\$4,100 Improvements: 16c per Z\$4,100
Exemptions	<p><u>Urban rates (in urban areas):</u> Traditional list of exemptions (e.g. libraries, educational facilities, properties used for public religious worship, cemeteries, properties used exclusively for charitable purposes or as a hospital), as well as railway property, property owned by an agricultural purposes and used exclusively as a show-ground, mining locations, etc. Government property is exempt, with government paying a grant-in-lieu of taxes</p> <p><u>Land development levy (in rural areas):</u> No provision for exemptions, but some reduction where land exceeds 120 hectares and has on it a school or church maintained by a religious or other body.</p>	
<i>Tax Administration</i>		
Tax relief measures	No data	
Billing and collection	No data	<ul style="list-style-type: none"> In 1995 collection level in Bulawayo still exceeded

		<p>90%</p> <ul style="list-style-type: none"> • In Harare arrears are growing alarmingly
Enforcement	<ul style="list-style-type: none"> • Interest on arrears • Attachment of movable goods • Attachment and sale of property (as regards privately-owned land) • Clearance certificate in cases of transfer of ownership (indicating that taxes have been paid for the previous 5 years) 	

Zone 2: Commonwealth Countries in the Caribbean

Appendix 2-1: Antigua and Barbuda



<i>Basic Country Information</i>			
Geographic size	442 km ²	Independence	1981
Capital	St John's	Population	68,300
System of government	Parliamentary democracy recognising Queen Elizabeth II as head of state. Bicameral parliament.	Urbanisation	37%
Sub-national government	6 parishes on Antigua and 2 dependencies (Barbuda and Redonda). Antigua has no local government. Barbuda has an island-wide local authority.	GDP (per capita)	\$10,089
<i>Sub-national Government</i>			
Expenditure responsibilities	The parishes have few specific expenditure responsibilities and rather act as administrative units.		
Sources of revenue	All revenue for parishes allocated from central government.		
Importance of property tax	1.7% of total tax revenue.		
<i>Land Issues</i>			
Land tenure	Freehold and leasehold property		
Land titling	All land in process of title registration		
<i>Taxes</i>			
National	Corporate and personal income tax No VAT or sales tax, 15% consumption tax	Sub-national	N/A
<i>Property-related Taxes</i>			
National	<u>Property transfer tax (stamp duty):</u> <ul style="list-style-type: none"> • 10% on the purchase price • Property transfer tax on non-residents: 5% payable by vendor • Non-residents undeveloped land tax: 5%-20% <u>Property tax</u>	Sub-national	N/A

<i>Property Tax</i>		
Act: The Property Tax Act, Chapter 348		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	All land and buildings	
Coverage of tax base	Approximately 88%	
Taxpayer	Owner	Can target the occupier
<i>Valuation & Assessment</i>		
Valuation	All properties are assessed to annual rental value.	
Responsibility	Centralised government department within the Ministry of Finance and Economy	
Valuation cycle	Normally every 3 to 5 years	Less frequent
Objection & appeal	No data	
Quality control measures	None	
Tax rates	<ul style="list-style-type: none"> • Tax rates vary between citizens and non-citizens • Based on ARV 	<u>City of St John (North):</u> Citizens: Residential: 3.5% Commercial: 5% Non-citizens: Residential: 5% Commercial: 7% <u>St John (South):</u> Citizens: Residential: 7% Commercial: 14% Non-citizens: Residential: 14% Commercial: 20% <u>Other parishes:</u> Citizens: 7% and 14% respectively Non-citizens: 14% and 20%
Exemptions	<ul style="list-style-type: none"> • Religious and charitable organisations • Educational institutions • Government property • Agricultural land 	
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • Pensioner relief is available on application • Property tax paid in full within the period specified will attract a 5% discount 	
Collection	Payment can be made in 2 equal instalments	
Enforcement	<ul style="list-style-type: none"> • Unpaid tax is treated as a first charge on the property • If the tax is not paid within 90 days from the due date, then a penalty of 20% is added 	

	<ul style="list-style-type: none"> • Interest of 1% per month until the tax and penalty is paid • The power to distrain goods is also available 	
<i>Additional Comments</i>	<ul style="list-style-type: none"> • Proposal to move from a rental value based system to one based on 'fair market value' using capital values • Proposal to exempt all properties valued at less than \$100,000. In addition, if a property has a value of less than \$200,000, then the first \$100,000 would also be exempt. Where such properties are owned and occupied by persons over 60 years of age, then 50% of the property tax on the second \$100,000 is to be waived. 	

Appendix 2-2: The Bahamas



<i>Basic Country Information</i>			
Geographic size	13,939 km ²	Independence	1973
Capital	Nassau	Population	310,000
System of government	Constitutional democracy recognising Queen Elizabeth II as head of state	Urbanisation	89%
Sub-national government	31 local government districts in the form of 13 second-schedule and 18 third-schedule districts. The former has town committees as sub-structures and more functions.	GDP (per capita)	\$16,688
<i>Sub-national Government</i>			
Expenditure responsibilities	Town planning, building control, sanitation, waste collection and disposal, road maintenance, cemeteries, environmental management, water supply, culture, sport and leisure, promotion of tourism.		
Sources of revenue	Primarily grants. All revenues are collected and controlled by the Ministry of Finance. Revenue is then shared with local government.		
Importance of property tax	Relatively insignificant		
<i>Land Issues</i>			
Land tenure	Freehold, leasehold and customary tenure.		
Land titling	Land registration of titles and deeds.		
<i>Taxes</i>			
National	No income tax, no VAT or sales tax Room tax; gaming tax; import duties	Sub-national	N/A
<i>Property-related Taxes</i>			
National	Stamp duty of 8% Property tax	Sub-national	N/A

<i>Property Tax</i>		
Acts: The Local Government Act 1996 Real Property Tax Act Chapter 339		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	Land and buildings	
Coverage of tax base		76%
Taxpayer	Owner	
<i>Valuation & Assessment</i>		
Valuation	Capital value	
Responsibility	Centralised valuation department	
Valuation cycle	5-yearly cycles	At more than 5 year intervals
Objection & appeal	No data	
Quality control measures	None	
Tax rates	<u>Owner-occupied residential:</u> Up to \$100,000 - exempt 100,001 – 500,000 - 1% > 500,001 - 1.5% <u>Other property:</u> Up to 500,000 - 1% > 500,001 - 2% <u>Unimproved land in New Providence:</u> 3%	
Exemptions	Properties occupied by religious, charitable and educational organisations	
<i>Tax Administration</i>		
Tax relief measures	Hardship and poverty measures	
Collection	No data	
Enforcement	<ul style="list-style-type: none"> • First charge on property • Seizure of taxpayer's movable goods • Sale of subject property 	

Appendix 2-3: Barbados



<i>Basic Country Information</i>			
Geographic size	431 km ²	Independence	1966
Capital	Bridgetown	Population	269,000
System of government	Parliamentary democracy recognising Queen Elizabeth II as head of state; bicameral parliament.	Urbanisation	50%
Sub-national government	11 parishes and the city of Bridgetown. Local government was dissolved in 1967.	GDP (per capita)	\$15,700
<i>Sub-national Government</i>			
Expenditure responsibilities	None		
Sources of revenue	Revenue collected and allocated by central government.		
Importance of property tax	Important source of revenue to central government.		
<i>Land Issues</i>			
Land tenure	Freehold and leasehold		
Land titling	Land registration of property in progress.		
<i>Taxes</i>			
National	Corporate and personal income tax, VAT (ranging from 7.5%-15%)	Sub-national	N/A
<i>Property-related Taxes</i>			
National	<u>Property transfer tax:</u> Citizen or resident vendors: 5% Non-resident vendors: 8% All purchasers: 10% <u>Land tax</u>	Sub-national	N/A

<i>Land Tax</i>		
Acts: Land Valuation Act, Chapter 229A Land Tax Act, Chapter 78A Land Development Duty Act, Chapter 78		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	All land and buildings	
Coverage of tax base		95%
Taxpayer	Owner	
<i>Valuation & Assessment</i>		
Valuation	<ul style="list-style-type: none"> • Open market value of improved properties • Site value for agricultural land 	
Responsibility	Land Tax Department, Ministry of Finance	
Valuation cycle	3-yearly cycle	
Objection & appeal	<ul style="list-style-type: none"> • After a revaluation the owner of a property receives a Notice showing the assessed values (land and improved values). • The owner has 30 days from the date of the Notice to lodge an objection. • A further appeal is possible to the Land Valuation Board if made within 30 days of the decision on the objection. 	
Quality control measures	No data	
Tax rates	Differential rates are applied to different categories of property: <u>Residential:</u> Improved value \$0 - \$350,000 - 0.20% Next \$650,000 - 0.70% > \$1m - 1.00% <u>Commercial and industrial:</u> Improved value - 0.70% <u>Hotel:</u> Improved value - 0.70% Rebate of 50% available <u>Agricultural land:</u> >\$100,000 (Site value) - 0.30% >\$300,000 (Improved value) - 0.20% <u>Unimproved land:</u> Site value - 0.80%	
Exemptions	<ul style="list-style-type: none"> • Land owned and occupied by the Crown • Property of the University of West Indies 	

	<ul style="list-style-type: none"> • Land used for public religious worship • Crematoria and burial grounds 	
<i>Tax Administration</i>		
Tax relief measures	Pensioner rebate of 50% on the improved value of the property.	
Collection	<ul style="list-style-type: none"> • Discounts of 10% available for early payment within 30 days • If the tax remains unpaid after 60 days a penalty of 5% is added to the outstanding amount. For each subsequent month a further 1% is added. 	
Enforcement	<ul style="list-style-type: none"> • The Land Tax is a first charge on the property • Distress of goods is available • Property can be sold at auction • For transfer of property there must be a valid certificate that the Land Tax has been paid 	

Appendix 2-4: Belize



<i>Basic Country Information</i>			
Geographic size	22,965 km ²	Independence	1981
Capital	Belmopan	Population	251,000
System of government	Parliamentary democracy and constitutional monarchy (Queen Elizabeth II)	Urbanisation	55%
Sub-national government	6 administrative districts; town boards; city councils for Belize City and Belmopan; 7 town councils and 192 rural village and community councils.	GDP (per capita)	\$2,660
<i>Sub-national Government</i>			
Expenditure responsibilities	Urban councils: Maintenance of roads, parks and playgrounds, libraries, management and control of markets and slaughterhouses, refuse collection, drainage and lighting. Village councils: Social welfare, community centres, facilitate between communities and central government.		
Sources of revenue	Primarily the land tax and property tax; trade licences; motor vehicle licences. Grants from centre.		
Importance of property tax	Approximately 42% of total local revenue in 2002/03.		
<i>Land Issues</i>			
Land tenure	Primarily freehold and leasehold with informal and customary land tenure		
Land titling	Registration of deeds and titles		
<i>Taxes</i>			
National	Corporate and personal income tax, sales tax at 8% or 12%, no VAT	Sub-national	Town property tax, trade licences
<i>Property-related Taxes</i>			
National	Transfer tax	Sub-national	Town property tax

<i>Towns Property Tax</i>		
Acts: Land Tax Act Chapter 58, 1983 Towns Property Tax Act, Chapter 65, 1968 Belize City Council Act 1999 Belmopan City Council Act 1999 Towns Council Act 1999		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	<ul style="list-style-type: none"> • Land and buildings • Land only 	In the capital city of Belmopan a site-value tax was recently introduced in 2001.
Coverage of tax base		Approximately 50%
Taxpayer	Owner and occupier	
<i>Valuation & Assessment</i>		
Valuation	<p>The annual rental value is the basis applied to properties within the limits of a town or city.</p> <p>In Belmopan the base has been changed to land only.</p> <p>Agricultural land is value on the basis of site or unimproved value.</p>	
Responsibility	Central Valuation Unit, although local authorities may now choose to appoint their own valuers.	Allowing councils the freedom to appoint valuers saves them time and revenue.
Valuation cycle	3-yearly cycle	Much less frequently
Objection & appeal	Objections against assessed values are forwarded to the Valuation Appeal Board. Further appeals can be made to the Supreme Court.	
Quality control measures	None	
Tax rates	<p>For agricultural land the tax rate is 1% of the unimproved value.</p> <p>Local authorities can set their own tax rates which tend to vary between 3 and 8%.</p> <p>If a property has an annual rental value (ARV) in excess of \$35 the maximum rate is 12.5%.</p> <p>If the property has an ARV of less than \$35 then the maximum rate is 3%.</p>	
Exemptions	<ul style="list-style-type: none"> • Religious organisations • Charitable bodies • Educational organisations • Historical buildings • Government property • Foreign-owned embassies • Public hospitals • Sports grounds 	
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • There is a power to remit taxes on property that has been badly damaged due to an Act of God. 	

	<ul style="list-style-type: none"> • Hardship relief measures are used in those cases where it is proven that the taxpayer genuinely has no ability to pay the tax. 	
Collection	No data	Significant problems with collection and build up of arrears.
Enforcement	<ul style="list-style-type: none"> • Unpaid taxes are a first charge on land • Unpaid tax accrues a 1% penalty charge per month • If a property is rented, the unpaid property tax can be deducted from the rent being paid to the owner • Sale of property 	

Appendix 2-5: Dominica



<i>Basic Country Information</i>			
Geographic size	754 km ²	Independence	1978
Capital	Roseau	Population	78,000
System of government	Parliamentary democracy	Urbanisation	72%
Sub-national government	7 districts; 10 parishes; town, village and urban councils. Although local government is not formally recognised in the Constitution, a rather complex system evolved.	GDP (per capita)	\$5,451
<i>Sub-national Government</i>			
Expenditure responsibilities	Good governance, general maintenance of roads, parks and open spaces, cemeteries, sports and leisure.		
Sources of revenue	Government grants (about 60%) and property tax (40%).		
Importance of property tax	The property tax is presently only levied in Roseau City Council.		
<i>Land Issues</i>			
Land tenure	Freehold and leasehold; customary tenure.		
Land titling	Registration of real property.		
<i>Taxes</i>			
National	Corporate and personal income tax Sales tax at 7.5%, no VAT	Sub-national	Property tax
<i>Property-related Taxes</i>			
National	<u>Land transfer tax</u> (totalling 10%): Purchaser: 7.5% Vendor: 2.5% <u>Alien land holding licence</u> : Due at time of purchase: 10% of capital value	Sub-national	Property tax

Property Tax		
Acts: Roseau City Council Act, Chapter 25:01, 1990 Urban Council Act 1992		
	Legislation	Practice
Tax Base & Taxpayer		
Tax base	Land and buildings	
Coverage of tax base	65%	
Taxpayer	Owner. Unpaid amounts can be recovered from the occupier.	
Valuation & Assessment		
Valuation	Buildings are 'valued' on the basis of cubic capacity. The assessed value is the number of cubic feet multiplied by EC\$1. Land is assessed on the size of the holding.	
Responsibility	City Council	
Valuation cycle	None specified	Supplementary list prepared twice a year
Objection & appeal	In respect of a new valuation list, any person aggrieved with the assessment may within 14 days after the publication of the list object to the Council in writing. The Council within a period of 30 days must make a decision on the objection. If the aggrieved party is unhappy with the Council decision a further appeal can be made within 14 days of the decision to the Magistrate whose decision is final.	
Quality control measures	None	
Tax rates	The tax rate is 1.25% on the assessed value	
Exemptions	<ul style="list-style-type: none"> • Public buildings • Churches, schools, residences occupied by a minister of religion 	
Tax Administration		
Tax relief measures	The council may remit in whole or in part the tax payable on the grounds of: <ul style="list-style-type: none"> • Poverty • Deteriorated premises • Property used for charitable purposes • Any other good and sufficient reason 	
Collection	Payment is by way of 2 equal instalments	
Enforcement	If payment is 1 month late a penalty of \$0.25 is charged, if 2 months late the penalty is \$0.50 and if 3 months late \$0.75.	

Appendix 2-6: Grenada



<i>Basic Country Information</i>			
Geographic size	344 km ²	Independence	1974
Capital	St George's	Population	94,000
System of government	Constitutional monarchy with Queen Elizabeth II as head of state.	Urbanisation	39%
Sub-national government	6 parishes acting as administrative divisions of central government and 1 dependency (namely Carriacou and Petit Martinique)	GDP (per capita)	\$7,314
<i>Sub-national Government</i>			
Expenditure responsibilities	None. Parishes do not have real expenditure functions.		
Sources of revenue	None		
Importance of property tax	At central government level the tax is very important Represents approximately 2% of total recurrent revenue		
<i>Land Issues</i>			
Land tenure	Customary		
Land titling	Formal process of land registration ongoing.		
<i>Taxes</i>			
National	Corporate and personal income tax; consumption tax No VAT or sales tax	Sub-national	N/A
<i>Property-related Taxes</i>			
National	<u>Property transfer tax:</u> First \$20,000 exempt 5% of market value (citizens) 10% of market value (non-citizen vendors) 5% of market value (non-citizen purchasers) <u>Transfer tax (non-nationals):</u> 20% of market value (non-citizen) <u>Property tax</u>	Sub-national	N/A

<i>Property Tax</i>		
Acts: Property Tax Act, 1997 Property Transfer Tax Act, 1998		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	All land and buildings	
Coverage of tax base		98%
Taxpayer	Owner and in some cases the occupier	
<i>Valuation & Assessment</i>		
Valuation	Open market value of the land. Market value of buildings according to costs	
Responsibility	Valuation Division, Ministry of Finance	
Valuation cycle	3-yearly cycle (2002)	
Objection & appeal	The taxpayer can make an objection to an entry on the valuation list before the expiry of 14 days after the date of publication. A further appeal can be made to the Land Valuation Appeal Board.	
Quality control measures	None	
Tax rates	There are two separate tax schedules for land and buildings according to use. <u>Land:</u> Agricultural 0.0% Amenity 0.1% Commercial 0.5% Hotel 0.3% Industrial 0.3% <u>Buildings:</u> Agricultural 0.0% Amenity 0.1% Commercial 0.3% Hotel 0.02% Industrial 0.2%	
Exemptions	<ul style="list-style-type: none"> • Property owned by the government • Property for religious and charitable purposes • Public burial grounds • Educational establishments 	
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • One year relief given for new residential property • \$100,000 deduction from assessed value • All agricultural land is exempt • Hardship relief available 	
Collection	<ul style="list-style-type: none"> • Collection rates are relatively high, around 80% • The taxpayer is entitled to a 5% 	

	<p>discount is 50% is paid within 3 months of the due date</p> <ul style="list-style-type: none"> • For outstanding monies a penalty of 10% is added plus 2% each month if the tax remains unpaid 	
Enforcement	<ul style="list-style-type: none"> • First charge on the subject property. • Certificate of Tax Clearance required before property can be transferred. • If tax remains unpaid for 90 days a warrant of distress may be made. 	

Appendix 2-7: Guyana



<i>Basic Country Information</i>			
Geographic size	214,970 km ²	Independence	1966
Capital	Georgetown	Population	764,000
System of government	Republic, unitary state.	Urbanisation	37%
Sub-national government	10 regions; cities of Georgetown and New Amsterdam and 4 other municipalities.	GDP (per capita)	\$4,194
<i>Sub-national Government</i>			
Expenditure responsibilities	Few significant expenditures, but health, education and infrastructure are shared with central government.		
Sources of revenue	Rates and taxes; grants; user charges		
Importance of property tax	Significant in that some 90% of the local budget.		
<i>Land Issues</i>			
Land tenure	2 types of private land; leasehold land. Leasehold can be converted into freehold and are generally transferable.		
Land titling	Land registration underway. There is a deeds registry as well as a land registry (and the duality has historic origins).		
<i>Taxes</i>			
National	Income tax, consumption tax No VAT, estate taxes or gift taxes	Sub-national	Rates
<i>Property-related Taxes</i>			
National	<u>Capital gains tax (CGT):</u> 20% <u>Property tax (i.e. net wealth tax):</u> <u>Individuals:</u> 0% on the first \$7.5m of net property 0.5% for every \$ of next \$5million 0.75% for every \$ of the remainder	Sub-national	Rates

<i>Local Property Tax: Rates</i>		
Acts: Municipal and District Council Act, 1969 (Cap 28.01) Valuation for Rating Purposes Act (Cap 28.04) Georgetown (Valuation and Rating) Ordinance		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	Land and buildings separately	
Coverage of tax base	Extends to all state-owned and occupied property	Poor
Taxpayer	Generally the owner. Leaseholder, or licensee in respect of state-owned property held under lease or used under licence.	
<i>Valuation & Assessment</i>		
Valuation	Annual value or capital value The owner, tenant, occupier of property, as well as the Registrar of Deeds and Commissioner of Lands must provide the Chief Valuation Officer with information on request.	
Responsibility	Chief Valuation Officer performs the task of preparing valuation list, but does so under direction of the Minister. Parliament bears the cost, but councils may be asked to contribute according to a scale fixed by the Minister.	
Valuation cycle	The Chief Valuation Officer must prepare a new valuation list every 5 years, although the Minister may extend the period during which a list may remain in force.	Generally outdated, with rural areas last revalued in 1975
Objection & appeal	Objections must be lodged within 21 days of publication of the notice of the assessed values with the Chief Valuation Officer. Appeals are lodged with the relevant valuation appeal committee (set up by a so-called valuation appeal panel). A dispute may, in the alternative, be referred to arbitration by agreement thereto in writing by all parties. A further appeal to the Court is possible if a person is aggrieved with the decision of the valuation appeal committee.	
Quality control measures	No data	
Tax rates	Shall be a percentage on the value of property in the valuation list in force – i.e. a rate percentage representing a multiple of the annual value of property. Differential rates are allowed. Rates must be fixed not later than the day before the commencement of a relevant rating period.	

Exemptions	<ul style="list-style-type: none"> • Properties used solely for public religious worship • Properties used exclusively for purposes of education • Burial grounds, cemeteries and crematoria <p>A council has the discretion to exempt, wholly or in part, -</p> <ul style="list-style-type: none"> • Properties used for the advancement of religion, education or social welfare if done so not for profit • Property used mainly for open air games or sports and occupied by a club • Property used exclusively as a hospital, dispensary or public health institution <p>The Minister may also by order exempt any other property from the payment of rates.</p>	
<i>Tax Administration</i>		
Tax relief measures	A maximum discount of 10% for payment prior to the due date for payment.	
Collection	Rates are payable in 4 equal instalments. Payment must be made at the council offices, or any other designated place.	Poor
Enforcement	<ul style="list-style-type: none"> • Interest on late payment at not less than 1% above the council's borrowing rate • 3 months after default action must be taken by the clerk of council • Recovery as a civil debt • Distraint of movable property of the ratepayer situated on the relevant property • Warrant of distress • Sale of the property, but before property is sold, it must be valued by the Chief Valuation Officer • Rates constitute a preferential claim 	Poor

Appendix 2-8: Jamaica



<i>Basic Country Information</i>			
Geographic size	10,991 km ²	Independence	1962
Capital	Kingston	Population	2,696,000
System of government	Constitutional parliamentary democracy with Queen Elizabeth II as head of state	Urbanisation	57%
Sub-national government	15 local government authorities. 13 parishes including Kingston and St Andrew	GDP (per capita)	\$4,184
<i>Sub-national Government</i>			
Expenditure responsibilities	Local roads, street lighting, street cleansing, transportation centres, refuse disposal, parks, cemeteries, pounds and slaughter-houses, poor relief. Share water supply and environmental health with central government.		
Sources of revenue	Central government grants; land tax, charges for services, fees.		
Importance of property tax	Approximately 60% of own-source revenue is sourced from the land tax (which is a national tax).		
<i>Land Issues</i>			
Land tenure	Freehold and leasehold; informal tenure		
Land titling	Approximately 60% of land is registered; Torrens system of registration		
<i>Taxes</i>			
National	Income tax; land tax, VAT (at rates of 6.25%, 12.5% and 15%)	Sub-national	N/A
<i>Property-related Taxes</i>			
National	Property transfer tax: 7.5%	Sub-national	N/A
	Property tax (i.e. land tax)		

<i>Property Tax</i>																					
Acts: Land Valuation Act, 1956 Land Taxation Relief Act, 1959 Property Tax Act, 1903 Provisional Collection of Tax (Property Tax) Order, 1993 Municipalities Act 2003																					
	<i>Legislation</i>																				
<i>Tax Base & Taxpayer</i>																					
Tax base	Land only																				
Coverage of tax base	70%																				
Taxpayer	Owner, or person in possession																				
<i>Valuation & Assessment</i>																					
Valuation	Market value of land only																				
Responsibility	Land Valuation Department, centralised valuation system																				
Valuation cycle	5-yearly cycle																				
Objection & appeal	Objections must be made 60 days after receipt of the Notice of Valuation. A further appeal can be made within 60 days after receipt of the Commissioner Of Valuation's decision to the Revenue Court.																				
Quality control measures	None																				
Tax rates	<p>Progressive tax rates were applied.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">For first \$200,000 of value</td> <td style="text-align: right;">\$600</td> </tr> <tr> <td style="text-align: center;">For every \$1 of the next £100,000 of value</td> <td style="text-align: right;">0.30c</td> </tr> <tr> <td style="text-align: center;">For every \$1 of the next £100,000 of value</td> <td style="text-align: right;">0.30c</td> </tr> <tr> <td style="text-align: center;">For every \$1 of the next £100,000 of value</td> <td style="text-align: right;">0.30c</td> </tr> <tr> <td style="text-align: center;">For every \$1 of the next £500,000 of value</td> <td style="text-align: right;">0.30c</td> </tr> <tr> <td style="text-align: center;">For every \$1 of the next £1,500,000 of value</td> <td style="text-align: right;">0.50c</td> </tr> <tr> <td style="text-align: center;">For every \$1 of the next £2,500,000 of value</td> <td style="text-align: right;">1.75c</td> </tr> <tr> <td style="text-align: center;">For every \$1 of the next £5,000,000 of value</td> <td style="text-align: right;">1.75c</td> </tr> <tr> <td style="text-align: center;">For every \$1 of the next £40,000,000 of value</td> <td style="text-align: right;">1.75c</td> </tr> <tr> <td style="text-align: center;">For every \$1 of the next £150,000,000 of value</td> <td style="text-align: right;">1.75c</td> </tr> </table> <p>For 2005 a number of changes have been proposed:</p> <ul style="list-style-type: none"> • Removal of the bands and caps; • A flat tax of \$600 on the first \$300,000 of valuation; and <p>A property tax rate of 0.5% to be applied to the values in excess of \$300,000.</p>	For first \$200,000 of value	\$600	For every \$1 of the next £100,000 of value	0.30c	For every \$1 of the next £100,000 of value	0.30c	For every \$1 of the next £100,000 of value	0.30c	For every \$1 of the next £500,000 of value	0.30c	For every \$1 of the next £1,500,000 of value	0.50c	For every \$1 of the next £2,500,000 of value	1.75c	For every \$1 of the next £5,000,000 of value	1.75c	For every \$1 of the next £40,000,000 of value	1.75c	For every \$1 of the next £150,000,000 of value	1.75c
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For every \$1 of the next £40,000,000 of value	1.75c																				
For every \$1 of the next £150,000,000 of value	1.75c																				
Exemptions	<ul style="list-style-type: none"> • Land and property used for public religious worship • Land used for charitable and educational purposes • Buildings and land belonging to the University of the West Indies • Crown property • Hospitals 																				
<i>Tax Administration</i>																					
Tax relief measures	<ul style="list-style-type: none"> • 50% tax relief is granted to qualifying agricultural land • Dwellings with a higher use value based on commercial values are taxed on the basis of existing residential use • Sports clubs assessed on the basis of existing use rather than highest and best use • Hardship relief available 																				
Collection	<ul style="list-style-type: none"> • A Notice of Assessment is sent out each year with a due date of 1 April 																				

	<ul style="list-style-type: none">• Collection rates are typically 60%• Arrears are a major problem for local parishes
Enforcement	<ul style="list-style-type: none">• If the tax is overdue by one month a penalty of 10% is added. Interest of 15% per annum is added to the outstanding debt.• Certificate of Property Tax Clearance for sales and transfers is required• Forfeiture of goods• Sale of property

Appendix 2-9: Montserrat



<i>Basic Country Information</i>			
Geographic size	102 km ²	Independence	Overseas territory
Capital	Plymouth (abandoned in 1997 due to volcanic activity)	Population	9,400
System of government	Parliamentary democracy with Queen Elizabeth II as head of state and a unicameral legislative council.	Urbanisation	2%
Sub-national government	3 parishes	GDP (per capita)	\$3,400
<i>Sub-national Government</i>			
Expenditure responsibilities	N/A		
Sources of revenue	N/A		
Importance of property tax	Relatively important for central government		
<i>Land Issues</i>			
Land tenure	Freehold and leasehold		
Land titling	Registration of titles		
<i>Taxes</i>			
National	Personal income tax (residents), consumption tax, stamp duty, hotel and guest taxes No VAT, sales tax, or CGT	Sub-national	N/A
<i>Property-related Taxes</i>			
National	Stamp duty Property transfer tax Property tax	Sub-national	N/A

<i>Local Property Tax</i>																	
Act: Property Tax Ordinance No. 3, 1988																	
	<i>Legislation</i>	<i>Practice</i>															
<i>Tax Base & Taxpayer</i>																	
Tax base	Land and buildings valued separately; annual value or site value																
Coverage of tax base		25%															
Taxpayer	Owner of both land and buildings	In some instances occupier are taxed as well															
<i>Valuation & Assessment</i>																	
Valuation	Annual value or site value																
Responsibility	Centralised government department																
Valuation cycle	When the Minister determines.	Infrequently															
Objection & appeal	<ul style="list-style-type: none"> • Objection to the valuation officer in the first instance • Appeal from there to the Magistrate • A further appeal can be made to the Court of Appeal. 																
Quality control measures	None																
Tax rates	<table border="0"> <thead> <tr> <th></th> <th><u>Land</u></th> <th><u>Buildings</u></th> </tr> </thead> <tbody> <tr> <td>Agriculture</td> <td>1%</td> <td>0%</td> </tr> <tr> <td>Residential</td> <td>1.65%</td> <td>0.3%</td> </tr> <tr> <td>Commercial</td> <td>2%</td> <td>0.8%</td> </tr> <tr> <td>Industrial</td> <td>1%</td> <td>0.75</td> </tr> </tbody> </table> <p>Undeveloped land owned by non-residents: 1.65% of the value of the land</p> <p>No-residents pay an additional 1.65% undeveloped land tax if they fail to develop land acquired.</p>		<u>Land</u>	<u>Buildings</u>	Agriculture	1%	0%	Residential	1.65%	0.3%	Commercial	2%	0.8%	Industrial	1%	0.75	
	<u>Land</u>	<u>Buildings</u>															
Agriculture	1%	0%															
Residential	1.65%	0.3%															
Commercial	2%	0.8%															
Industrial	1%	0.75															
Exemptions	<ul style="list-style-type: none"> • Religious and educational organisations; • Government property • Cemeteries • Property vested in the National trust • Charitable organisations • New dwellings are exempt for a period of 3 years • Agricultural land is given a 50% exemption. 																

<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • Dwellings are given an exemption up to \$50,000 • Hardship relief for residential and agricultural occupiers and owners 	
Collection	Inland revenue department issue tax notices	Collection rates prior to the volcanic disaster were extremely high
Enforcement	<ul style="list-style-type: none"> • First charge on the subject property • Unpaid tax beyond 60 days attracts a 5% penalty • Distress and sale of goods and chattels belonging to the owner • Garnishment of funds belonging to owner • Sale of property 	

Appendix 2-10: St Kitts & Nevis



<i>Basic Country Information</i>			
Geographic size	262 km ²	Independence	1983
Capital	Basseterre	Population	42,000
System of government	A federal state and constitutional monarchy with Queen Elizabeth II as head of state	Urbanisation	34%
Sub-national government	14 parishes functioning as administrative units of central government	GDP (per capita)	\$12,681
<i>Sub-national Government</i>			
Expenditure responsibilities	None – as parishes are mere administrative units.		
Sources of revenue	None		
Importance of property tax	No data		
<i>Land Issues</i>			
Land tenure	Freehold and leasehold		
Land titling	Registration of deeds and titles		
<i>Taxes</i>			
National	Corporate income tax, CGT, stamp duty, land and house tax, consumption tax No VAT, sales taxes, gift or estate taxes	Sub-national	N/A
<i>Property-related Taxes</i>			
National	<u>Stamp duty</u> : 12% (6% payable by vendor and 6% by the purchaser) <u>Condominium tax</u> : 5% (2.5% purchaser; 2.5% vendor) <u>Land and house tax</u>	Sub-national	N/A

<i>Land and House Tax</i>		
Land and House Tax Ordinance (Cap 251) of 1913 (as amended)		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	<ul style="list-style-type: none"> • Land • Land and buildings 	
Coverage of tax base		75%
Taxpayer	Owner	
<i>Valuation & Assessment</i>		
Valuation	Annual rental value, defined as the monthly rental a willing tenant would be prepared to pay, multiplied by 12	
Responsibility	Centralised under the Ministry of Finance	
Valuation cycle	5 yearly cycles	
Objection & appeal	In the first instance objections are lodged with the valuer Appeals are dealt with by the Land & House Tax Commissioners	
Quality control measures	None	
Tax rates	Buildings: The tax rate is 5% of the annual rental value Land: Cultivated land - \$12/acre Uncultivated land - \$1/acre Nevis (land): All land - \$1/acre	
Exemptions	<ul style="list-style-type: none"> • Properties owned by the government and used exclusively for public purposes • Properties owned by religious and charitable organisations for public worship and educational purposes 	
<i>Tax Administration</i>		
Tax relief measures	Residential owner occupiers are entitled to a 25% rebate	
Collection	<ul style="list-style-type: none"> • Tax payable in 2 equal instalments • 30 days grace, thereafter interest is payable 	

Enforcement	<ul style="list-style-type: none">• Interest at 12% per annum• Can apply distress on goods of defaulters and sell these to recover unpaid tax• Subject property can also be sold at auction	
<i>Additional Comments</i>	Proposal to move from a rental value based system to one based on 'fair market value' using capital values.	

Appendix 2-11: St Lucia



<i>Basic Country Information</i>			
Geographic size	606 km ²	Independence	1979
Capital	Castries	Population	166,000
System of government	Constitutional democracy with Queen Elizabeth II as head of state	Urbanisation	38%
Sub-national government	11 quarters, functioning as administrative divisions. There is 1 city council (Castries), 3 town councils and 6 village councils.	GDP (per capita)	\$5,400
<i>Sub-national Government</i>			
Expenditure responsibilities	No uniformity, regulated on an ad hoc basis		
Sources of revenue	Revenue from the property tax is collected nationally and paid into the state revenue fund. Local councils only collect user fees.		
Importance of property tax	Important.		
<i>Land Issues</i>			
Land tenure	Freehold and leasehold rights in land are the predominant form of tenure.		
Land titling	The Land Registration and Titling project 1987 required the compulsory registration of land and the development of the Land register		
<i>Taxes</i>			
National	Personal and corporate income tax, hotel tax, consumption tax, customs and excise taxes No VAT or sales tax	Sub-national	N/A
<i>Property-related Taxes</i>			
National	<u>Stamp duty:</u> Nationals: 2% payable by purchaser and between 2.5%-5% by the vendor Foreigners: 2% by purchaser and 10% payable by the vendor <u>Land and house tax</u>	Sub-national	N/A

<i>Land and House Tax</i>		
Acts: Land and House Tax Ordinance Chapter 217, 1999 Castries Corporation Act 1967 (suspended)		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	All land and buildings	
Coverage of tax base	Approximately 85%	
Taxpayer	Owner of the taxable property; the occupier may also be liable	
<i>Valuation & Assessment</i>		
Valuation	<ul style="list-style-type: none"> • For commercial property the assessment value is based on the open market capital value as declared by the owner. • For residential property the assessed value is based on the annual rental value as determined by the Property Tax Section. • Land is taxed on the basis of a price per acre. 	
Responsibility	The Property Tax Section of the Inland Revenue Department. The valuation provision is centralised.	
Valuation cycle	None specified	
Objection & appeal	The first stage is where the aggrieved taxpayer submits in writing the grounds for his objection to the Comptroller of the tax. The Comptroller informs the taxpayer of his decision who then has 30 days to appeal to the Appeal Commissioners of the High Court. From the High Court there is a further appeal to the Court of Appeal.	
Quality control measures	None	
Tax rates	<ul style="list-style-type: none"> • Commercial property taxed at 0.25% of market capital value • Residential properties are taxed on the basis of 7% of the annual rental value • Land is taxed as follows: Less than 10 acres – exempt >10 acres < 50 acres – 50 cents per acre >50 acres < 100 acres - 25 cents per acre >100 acres , 500 acres – 50 cents per acre > 500 acres - \$1 per acre. 	
Exemptions	<ul style="list-style-type: none"> • Properties owned by the government and used exclusively for public purposes • Properties owned by religious and charitable organisations for public worship and educational purposes • Exemptions can also be granted on 	

	<p>the grounds of poverty</p> <ul style="list-style-type: none"> • An exemption is also granted for first- time owners of residential property • Historical property 	
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • These are granted to those on low income, pensioners and those facing financial hardship • Pensioner exemption 	
Collection	<ul style="list-style-type: none"> • When an assessment is issued payment is due one month after the date of notice • Failure to make payment attracts interest of 2% every three months 	
Enforcement	<ul style="list-style-type: none"> • Taxpayers can agree a payment plan to ensure full payment of the tax plus any accumulated arrears • The debt is registered in the Land Registry • Subject property can be seized and sold 	

Appendix 2-12: St Vincent & the Grenadines



<i>Basic Country Information</i>			
Geographic size	389 km ²	Independence	1979
Capital	Kingstown	Population	117,000
System of government	Parliamentary democracy and constitutional monarchy with Queen Elizabeth II as head of state.	Urbanisation	55%
Sub-national government	No local government; the 6 parishes functioning as administrative units.	GDP (per capita)	\$2,900
<i>Sub-national Government</i>			
Expenditure responsibilities	The 6 parishes perform a limited number of services on behalf of government.		
Sources of revenue	N/A		
Importance of property tax	Land tax is not important as a central tax. It is however used to provide roads, sanitation, street lighting and other public services. Contributes approximately 1% of total revenue.		
<i>Land Issues</i>			
Land tenure	Freehold and leasehold; also customary land holdings		
Land titling	Registration of titles		
<i>Taxes</i>			
National	Corporate income tax; consumption tax; land transfer tax; land tax No VAT, sales tax or CGT	Sub-national	N/A
<i>Property-related Taxes</i>			
National	Alien land holdings tax: 10% on sale or lease as well as an annual licence fee of \$500. Land tax: 5% (of annual value)	Sub-national	N/A

<i>Land Tax</i>		
Acts: Valuation and Rating Act, Chapter 260, 1977 Land Tax Ordinance, Chapter 316		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	All land and buildings	
Coverage of tax base		90%
Taxpayer	Owner	
<i>Valuation & Assessment</i>		
Valuation	Annual rental value (improved properties) Prescribed rates for undeveloped land outside urban areas.	
Responsibility	Centralised government department, Inland Revenue Department	
Valuation cycle	Normally every 5 to 7 years	Undertaken less frequently
Objection & appeal	The main grounds of appeal include: <ul style="list-style-type: none"> • That the ARV is too high • That information important to the assessment has not been included • The property should be separately assessed. Taxpayers have 21 days from the publication of the valuation list to appeal	
Quality control measures	None	
Tax rates	All developed land and unimproved land is taxed at a rate of 5% of the annual rental value, subject to a minimum tax of \$10. Agricultural land is taxed at 2.5%. Hotels 2.5% Undeveloped land outside urban areas is taxed on the basis of size. There are 4 scales of taxes, one for the mainland and three for the Grenadines.	<u>St Vincent:</u> First 10 acres - \$1.5 per acre Next 90 acres - \$3 per acre Next 400 acres - \$6 per acre Over 500 acres - \$9 per acre <u>Bequia, Union Island and Mustique:</u> First 10 acres - \$0.75 per acre Over 10 acres - \$1.20 per acre <u>Canouan:</u> First 10 acres - \$0.60 per acre Over 10 acres - \$1.20 per acre <u>Balliceaux, Petit Nevis:</u> First 10 acres - \$0.30 per acre Over 10 acres - \$0.60 per acre
Exemptions	<ul style="list-style-type: none"> • Property used for public religious worship • Property used exclusively for education and public charitable 	

	<p>purposes</p> <ul style="list-style-type: none"> • Residential property owned or occupied by a religious body • Burial grounds and cemeteries • Crown and government properties 	
<i>Tax Administration</i>		
Tax relief measures	<ul style="list-style-type: none"> • Agricultural land is given a concessionary tax rate • Hotels and guest houses given a concessionary tax rate • Other tourism developments where the ARV is greater than \$20,000 the tax rate is 1.5% 	
Collection	Taxpayers can pay central government directly, or make payment at parish offices.	
Enforcement	<ul style="list-style-type: none"> • Can apply distress on goods of defaulters and sell these to recover unpaid tax • Subject property can also be sold at auction 	

Appendix 2-13: Trinidad & Tobago



<i>Basic Country Information</i>			
Geographic size	5,128 km ²	Independence	1962
Capital	Port of Spain	Population	1.1 million
System of government	Parliamentary democracy	Urbanisation	74%
Sub-national government	14 municipal corporations replaced the previous city and borough corporations and 7 county councils in 1990. There are 2 city, 3 borough and 9 regional corporations.	GDP (per capita)	\$10,500
<i>Sub-national Government</i>			
Expenditure responsibilities	Street cleansing, lighting; garbage disposal; common and recreation grounds, slaughterhouses; as well as discretionary powers over various other local services such as libraries, bus and taxi shelters, etc.		
Sources of revenue	Property tax and other levies, fees and charges are collectively responsible for only about 3% of local revenues. Grants provide 97%.		
Importance of property tax	The property tax is extremely out-dated. The revenue is important but does not contribute significant levels of revenue.		
<i>Land Issues</i>			
Land tenure	No data		
Land titling	No data		
<i>Taxes</i>			
National	Corporate and personal income tax, room tax, VAT at 15%	Sub-national	Land and building tax, rates
<i>Property-related Taxes</i>			
National	Transfer tax (levied as a stamp duty): Commercial property and land: 5%-7% Residential property: 5%-10%	Sub-national	Land and building tax, rates

<i>Land and Buildings Tax</i>		
Act: Land and Buildings Taxes Act, Chapter 76:04, 1920 (outside municipal areas) Municipal Corporations Act, Chapter 21, 1990 Rates and Charges Recovery Act, Chapter 74:03, 1913		
	<i>Legislation</i>	<i>Practice</i>
<i>Tax Base & Taxpayer</i>		
Tax base	All land and buildings	
Coverage of tax base		45%
Taxpayer	Owner	
<i>Valuation & Assessment</i>		
Valuation	<ul style="list-style-type: none"> • Annual Rental Value for improved property • Land valued on price per acre 	
Responsibility	Centralised Valuation Department and Municipal Valuation Departments	
Valuation cycle	<ul style="list-style-type: none"> • Normally every 3 years • For property outside of municipal boundaries the revaluation cycle is every 15 years 	Undertaken less frequently
Objection & appeal	The owner has 21 days to appeal against an assessed value. The Commissioner of Valuation determines the objection and the decision of the Commissioner is final and binding.	
Quality control measures	None	
Tax rates	<u>Developed properties:</u> 7% of the ARV (cannot exceed 10%) <u>Land rates:</u> Up to 10 acres - \$10 per acre 10 – 100 acres - \$15 per acre > 100 acres - \$20 per acre	
Exemptions	<ul style="list-style-type: none"> • Religious organisations • Charitable and educational organisations • Government properties • Foreign government property • Hospitals 	
<i>Tax Administration</i>		
Tax relief measures	Waiver of tax due to property damaged by an act of God	
Collection	<ul style="list-style-type: none"> • Any unpaid property tax is surcharged by 10% • If it remains unpaid for a year a further 10% is added 	
Enforcement	<ul style="list-style-type: none"> • A 10% penalty is levied on tax defaulters plus a monthly penalty of 1.5% • Distress of goods • Public auction of subject property. • Disconnection of utilities 	

