



MONTSERRAT

CHAPTER 11.28

BANK INTEREST LEVY ACT

Revised Edition

showing the law as at 1 January 2019

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Revised Edition of the Laws Act.

This edition contains a consolidation of the following laws—

BANK INTEREST LEVY ACT

Act 17 of 1978 .. in force 1 January 1979

Amended by Acts: 10 of 1982 .. in force 1 June 1982

6 of 2006 .. in force 6 November 2006

9 of 2011 .. in force 27 September 2011 (S.R.O. 40/2011)

9 of 2015 .. in force 4 June 2015

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BANK INTEREST LEVY ACT

ARRANGEMENT OF SECTIONS

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CHAPTER 11.28

BANK INTEREST LEVY ACT

(Acts 17 of 1978, 10 of 1982, 6 of 2006, 9 of 2011 and 9 of 2015)

AN ACT TO PROVIDE FOR THE IMPOSITION OF LEVY UPON BANK INTERESTS
AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

Commencement

[1 January 1979]

Short title

1. This Act may be cited as the Bank Interest Levy Act.

Interpretation

2. In this Act—

“**Bank**” means any financial institution which is the holder of an “**A**” licence granted under the Banking Act and whose businesses includes the acceptance of deposits of money with-drawable by cheque; *(Inserted by Act 10 of 1982)*

“**deposit balances**” mean the credit balances in all interest bearing accounts including fixed and time deposit accounts;

“**Minister**” means the Minister of Finance;

“**year of payment**” means each calendar year commencing with the year 1979.

Imposition of levy

3. (1) A Bank shall pay on 1 July in each year of payment a levy of 0.5% of the average deposit balances which shall be computed as the average of the deposit balances at the end of each month in the calendar year immediately before the year of payment.

(2) Within one month after the end of the year of payment the levy for that year shall be recalculated as the average of the deposit balances at the end of each month in the year of payment.

(3) If the recalculated levy under subsection (2) is greater than the sum paid as levy by the Bank for the year of payment, a further sum representing the difference between the sum paid as levy and the recalculated levy becomes payable on or before 31 January next following the end of the year of payment.

(Substituted by Act 9 of 2015)

Power to waive levy

4. Whenever the Governor acting on the advice of Cabinet is satisfied that it is just and equitable to waive any levy which is due and payable whether before or after the commencement of this Act, he may by Order waive the said levy in full or part, subject to such terms and conditions as he may deem fit.

(Inserted by Act 6 of 2006 and amended by Act 9 of 2011)

Method of payment

5. All sums levied under this Act shall be paid to the Accountant General on the dates due.

Recovery of levy

6. All levy due under this Act may be recovered by the Accountant General as a debt due to the Government of Montserrat and without prejudice to any other remedy may be recovered in a court of competent jurisdiction as a civil debt.

(Inserted by Act 6 of 2006)

Validation

7. Money collected by the Accountant General as a levy under the Bank Interest Levy Act, before the commencement of this Act, is deemed to have been lawfully collected.

(Inserted by Act 9 of 2015)

Offences

8. (1) Any person who—

(a) fails or neglects to pay the levy imposed under this Act; or

(b) fails to comply with any provision of this Act,

is guilty of an offence and is liable on summary conviction to a fine of \$5,000 or to imprisonment for a term of three years, or to both.

(2) Where the offence is committed by a body corporate, any person who at the time of commission of the offence was a director, manager, secretary or other similar officer of such body, or who purported to act in such capacity, shall be deemed to have committed that offence unless he proves that the contravention was without his consent or connivance and that he exercised all due diligence to prevent the commission of the offence.

(Inserted by Act 6 of 2006)

Regulations

9. The Minister may make regulations in respect of matters connected with or for the purposes of this Act.

Savings

10. Nothing in this Act shall apply to the Government Savings Bank established under the Savings Bank Act.