



MONTSERRAT

CHAPTER 17.14

INSURANCE LEVY ACT

Revised Edition
showing the law as at 1 January 2002

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—

INSURANCE LEVY ACT

Act 12 of 1982 .. in force 1 April 1984 (S.R.O. 1/1984)

Amended by Act 9 of 1985 .. in force 11 June 1985

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CHAPTER 17.14

INSURANCE LEVY ACT

(Acts 12 of 1982 and 9 of 1985)

AN ACT TO REQUIRE INSURANCE COMPANIES TO PAY A LEVY UPON INSURANCE PREMIUMS.

Commencement

[1 April 1984]

Short title

1. This Act may be cited as the Insurance Levy Act.

Interpretation

2. In this Act—

“**quarter**” means a period of three calendar months commencing January 1, April 1, July 1, or September 1, in any year;

“**registered insurer**” means an insurer registered under Part I or Part II as the case may be, of the Insurance Act.

Imposition of levy

3. (1) Every registered insurer and every insurance broker who places business with an insurer who is registered under the Insurance Act shall be

liable to a tax (to be known as the “insurance levy”) in respect of the premiums received on all classes of insurance and whether in respect of new policies or renewal of existing policies.

(2) The insurance levy shall be at the rate of four percent of all premiums paid on the issue and renewal of every policy by a registered insurer, and shall be paid to the Comptroller of Inland Revenue within thirty days after the end of the quarter in which such premiums are paid.

Returns

4. (1) Every registered insurer shall make a return for every quarter in such form as may be approved by the Comptroller of Inland Revenue showing—

- (a) the amount of insurance premiums received in that quarter by such insurer or broker;
- (b) the amount of insurance levy payable for that quarter by such insurer or broker;

and such return shall be furnished, together with the insurance levy so payable, within the time specified in section 3(2) for payment of the insurance levy.

(2) The Comptroller may at any reasonable time enter into any premises or place where any insurance business is carried on or any property is kept or anything is done in connection with any insurance business or any books or records are or should be kept pursuant to this Act and audit or examine the books and records.

If during the course of such audit or examination it appears to him that there has been any violation of this Act or of a Regulation, he may seize, take away and retain any of the accounts, records or other documents that may be relevant and cause copies to be made of the same. In the absence of proof to the contrary, a document certified by the Comptroller to be a copy made pursuant to this subsection shall be admissible in evidence and shall have the same probative force as the original document would have had if it had been proven in the ordinary way, and the original document shall be returned to the person from whom it was seized not later than seven days after the date of seizure provided that the Comptroller shall sign a list of the documents taken away from the Insurance Company and leave a copy with either the Manager or his representative.

(3) No person shall hinder, molest or interfere with any person doing anything that he is authorised by or pursuant to this section to do, or prevent or attempt to prevent any person doing any such thing, and notwithstanding any other law to the contrary, every person shall do anything that he is required by this section to do.

(Amended by Act 9 of 1985)

Recovery of levy

5. Any insurance levy due under this Act may be recovered by the Comptroller of Inland Revenue as a debt due to the Crown and without prejudice to any other remedy may be recovered in a court of competent jurisdiction as a civil debt.

Offences

6. (1) Any person who—

- (a) fails to make any return or pay the levy due under this Act when liable to do so; or
- (b) furnished a return required under section 4 which is false in any material particular,

shall be guilty of an offence and liable on summary conviction to a fine not exceeding \$2,500 or to imprisonment for a term not exceeding one year.

(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.

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