

CAYMAN ISLANDS



LAND HOLDING COMPANIES SHARE TRANSFER TAX (AMENDMENT) BILL, 2025

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**A BILL FOR AN ACT TO AMEND THE LAND HOLDING COMPANIES SHARE
TRANSFER TAX ACT (2022 REVISION) TO CHANGE HOW THE RATES OF TAX ARE
CALCULATED IN SOME CASES; TO INCREASE THE RATES OF TAX PAYABLE IN
THE CASE OF A TRANSFER OF ANY EQUITY CAPITAL OF A LAND HOLDING
CORPORATION WHERE THE VALUE OF THE TRANSFER IS TWO MILLION DOLLARS
OR MORE; AND FOR INCIDENTAL AND CONNECTED PURPOSES**

PUBLISHING DETAILS

Sponsoring Ministry/Portfolio: Ministry of Finance and Economic Development (FED)



Memorandum of OBJECTS AND REASONS

This Bill seeks to amend the Land Holding Companies Share Transfer Tax Act (2022 Revision) to-

- (a) change how rates of tax are payable; and
- (b) increase the rates of tax payable in the case of a transfer of any equity capital of a land holding corporation where the taxable value of the transfer is \$2 million dollars or more.

Clause 1 provides the short title and commencement date of the legislation.

Clause 2 repeals and replaces section 3(1)(c) of the Land Holding Companies Share Transfer Tax Act (2022 Revision) to provide that the sum payable on the submission of a transfer will be-

- (a) equivalent to seven and one-half per cent of the consideration for or of the taxable value of the transfer, whichever is greater, in the case where the consideration for or the taxable value of the transfer is less than two million dollars; and
- (b) equivalent to ten per cent of the consideration for or of the taxable value of the transfer whichever is greater in the case where the consideration for or the taxable value of the transfer is two million dollars or more.

Clause 3 contains transitional provisions and provides that where —

- (a) a transfer was completed before the date of the commencement of the amending legislation;
- (b) but, at the date of the commencement of the amending legislation, thirty-one days had not expired after the completion of the transfer; and
- (c) the transfer had not been submitted under section 3 of the *Land Holding Companies Share Transfer Tax Act (2022 Revision)* at the date of the commencement of the amending legislation,

the sum under section 3(1)(c) of the *Land Holding Companies Share Transfer Tax Act (2022 Revision)* which relates to the transfer, and which applied prior to such date of commencement, shall apply as if the amending legislation had not come into force.



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ENACTED by the Legislature of the Cayman Islands.

Short title and commencement

1. (1) This Act may be cited as the Land Holding Companies Share Transfer Tax (Amendment) Act, 2025.
- (2) This Act comes into force on 1st January, 2026.

Amendment of section 3 of the Land Holding Companies Share Transfer Tax Act (2022 Revision) - returns, etc., of transfers to be delivered and tax payable

2. The *Land Holding Companies Share Transfer Tax Act (2022 Revision)* is amended in section 3 as follows —



