

## **The Document Duty (Amendment) Ordinance, 1997**

**THE STATES**, in exercise of the powers conferred upon them by section 6 of the Document Duty (Guernsey) Law, 1973, as amended<sup>a</sup>, and section 1 of the Companies (Enabling Provisions) (Guernsey) Law, 1996<sup>b</sup>, hereby order:-

### **Calculation of Document Duty in relation to guarantee companies.**

1. In the Document Duty (Guernsey) Law, 1973, as amended, as it has effect in Guernsey, in the First Schedule<sup>c</sup>-

(a) in paragraph 12<sup>d</sup>, after the words "Memorandum of a limited liability company", insert "other than a company limited by guarantee";

(b) after paragraph 14 insert the following paragraph-

"14A. Memorandum of a company limited by guarantee.

(1) Subject to the provisions of subparagraph (3), the greater of £50 or one half of one percent of the sum of the following amounts, that is to say-

(a) the amount of the nominal share capital of the company (in cases where the company has a share capital); and

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<sup>a</sup> Ordres en Conseil Vol. XXIV, pp. 74 and 236; Vol. XXV, p. 43; and Ordinances No. XL of 1992 and No. XXV of 1995.

<sup>b</sup> Order in Council No. XII of 1996.

<sup>c</sup> The First Schedule to the Law was substituted by the Document Duty Ordinance, 1992 (No. XL); and amended, in relation only to Alderney, by the Document Duty (Amendment) Ordinance, 1995 (No. XXV).

<sup>d</sup> Paragraph 12 was amended, in relation only to Alderney, by Ordinance No. XXV of 1995.

(b) the total amount which (pursuant to the memorandum) the members of the company have collectively undertaken to contribute to the company's assets in accordance with section 4(a)(i) of the Guarantee Companies Ordinance, 1997 in the event of the company being wound up;

up to a maximum sum of £1,000,000.

(2) Where a company limited by guarantee alters its memorandum by special resolution so as to increase the maximum number of its members, then (subject to the provisions of subparagraph (3) below) an additional amount of document duty shall be payable in respect of the additional number of members, which amount shall be the difference between-

(a) the amount of document duty which, were the company being incorporated, would be payable in accordance with the provisions of subparagraph (1)(b) above by reference to its membership as increased; and

(b) the amount of document duty which, were the company being incorporated, would be so payable by reference to its membership immediately before the increase;

and such additional duty shall be payable upon delivery by the company of the special resolution to the Greffier.

(3) Where document duty would be payable in accordance with the preceding provisions of this paragraph in the case of a company limited by guarantee but, at the time of the dutiable event, the company is certified by the Guernsey Financial Services Commission as being a company the objects of which are exclusively for charitable, social, cultural, recreational or other purposes, in each case not involving any purpose of private gain or commercial undertaking, then, instead-

(a) in the case of the registration of the memorandum of the company, document duty of £50 shall be payable;

(b) in the case of an increase in membership of the company, no additional amount of document duty shall be payable under subparagraph (2) in respect of the additional number of members.

(4) Document duty shall not be payable under the provisions of paragraph 14 of this Schedule ("annual return of a limited liability company") in the case of a company limited by guarantee-

(a) which has been certified by the Guernsey Financial Services

Commission in accordance with the provisions of subparagraph (3); and

(b) which continues to be a company the objects of which are exclusively for charitable, social, cultural, recreational or other purposes, in each case not involving any purpose of private gain or commercial undertaking;

provided that there is submitted to the Greffier in lieu of the fee for the annual return a statement, executed for and in the name of the company, that the conditions of items (a) and (b) above are satisfied in relation to the company.

(5) A certificate of the Guernsey Financial Services Commission given under this paragraph may be issued in consideration of such fee as the Advisory and Finance Committee may by regulation specify.

**Extent.**

2. This Ordinance shall have effect in the Island of Guernsey.

**Citation.**

3. This Ordinance may be cited as the Document Duty (Amendment) Ordinance, 1997.