CAYMAN ISLANDS


SPECIAL ECONOMIC ZONES LAW

(2017 Revision)


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SPECIAL ECONOMIC ZONES LAW

(2017 Revision)

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PART 1 - Preliminary

1. This Law may be cited as the Special Economic Zones Law, (2017 Revision).

2. In this Law -

   “assets” means any tangible, intangible, moveable or immovable property whatsoever, irrespective of its use or intended use, including property not used for commercial purposes;

   “Authority” means the Special Economic Zone Authority established under section 3;

   “business” includes any profession, trade, activity or calling of any kind carried on for profit or otherwise;

   “Caymanian” has the meaning assigned to that expression under section 2 of the Immigration Law (2015 Revision) and the expression “non-Caymanian” shall be construed accordingly;

   “certificate of occupancy” means the final certificate issued pursuant to regulations made under the Development and Planning Law (2017 Revision), authorizing the occupation and use of a building on the completion of a building operation;

   “Chairman” means the Chairman of the Authority appointed under section 3(2)(a);

   “Chief Immigration Officer” means the immigration officer referred to as such under section 3(1) of the Immigration Law (2015 Revision) or a person authorized in writing by the Chief Immigration Officer;

   “Chief Surveyor” has the meaning assigned to that expression under section 2 of the Land Surveyors Law (1996 Revision);

   “Collector” has the meaning assigned to that expression under section 2 of the Customs Law (2017 Revision);

   “consumables” means tangible assets that are consumed in the ordinary course of business, or in the production of goods or services excluding, in particular, capital assets;
“Deputy Chairman” means the Deputy Chairman of the Authority appointed under section 3(2)(a);

“developer” means a person declared as such by Order pursuant to section 12;

“development companies” means the developer, its subsidiaries and from time to time for the duration of their appointment as such, the developer’s, and its subsidiaries’, sub-contractors;

“Director” means the Director in the department of Government known as the Department of Commerce and Investment;

“Director of Labour” has the meaning assigned to that expression under section 2 of the Labour Law (2011 Revision);

“Director of Planning” means the person appointed as such under section 4 of the Development and Planning Law (2017 Revision);

“exempted company” has the meaning assigned to that expression under section 2 of the Companies Law (2016 Revision);

“exempted limited partnership” has the meaning assigned to that expression under section 2(1) of the Exempted Limited Partnership Law (2014 Revision);

“Regulations” means the regulations made pursuant to section 30;

“special economic zone” means such parcel or parcels of land, areas or locations in the Islands, declared as such by the Cabinet in accordance with section 10(1);

“special economic zone business” means any type of business authorized to be carried on in a special economic zone pursuant to section 10(2)(d);

“special economic zone enterprise” means the holder of a valid trade certificate issued under section 17;

“trade certificate” means a trade certificate issued under section 17;

“trade officer” means a public officer who is appointed as a trade officer in the department of Government known as the Department of Commerce and Investment;

“warrant” means a warrant to enter and search premises;

“work permit” has the meaning assigned to that expression under section 2 of the Immigration Law (2015 Revision); and

“work permit fees” means the fees payable on application for and issuance of a work permit under the Immigration Law (2015 Revision).
PART 2 – Establishment, Functions and Powers of the Special Economic Zone Authority

3. (1) There is hereby established an authority to be known as the Special Economic Zone Authority for the purpose of exercising the functions specified in this Law.

(2) The Authority shall comprise the following members -

(a) a Chairman appointed by the Cabinet;
(b) a Deputy Chairman appointed by the Cabinet;
(c) three persons from the private sector appointed by the Cabinet; and
(d) the following ex officio members -
   (i) the Director or the designate of the Director;
   (ii) the Chief Immigration Officer or the designate of the Chief Immigration Officer;
   (iii) the Collector of Customs or the designate of the Collector of Customs; and
   (iv) the Director of the National Workforce Development Agency or the designate of the Director of the National Workforce Development Agency.

(3) Subject to this section, the constitution and procedure of the Authority shall be in accordance with Schedule 1.

4. (1) The department of Government known as the Department of Commerce and Investment shall be the Secretariat to the Authority.

(2) The Secretariat shall -

(a) be responsible for the day to day administration of the Authority;
(b) to the extent of the authority delegated in writing to the Secretariat by the Authority, be responsible for carrying out the functions of the Authority;
(c) record and keep the minutes of all meetings, proceedings and decisions of the Authority; and
(d) act as the primary processing centre through which a special economic zone enterprise can channel all of the applications of the special economic zone enterprise for permits and facilities that are not handled directly by the Authority.

(3) The minutes to be kept pursuant to subsection (2)(c) include any electronic record or transcript of votes or decisions made during a meeting which takes place by conference telephone, computer or similar method facilitating real time communication between the persons attending the Board meeting or committee meeting.
5. (1) The functions of the Authority are to -

(a) advise the Minister on all aspects of the establishment of special economic zones;
(b) implement the policies and programmes of the Government with regard to special economic zones;
(c) identify and map areas to be designated as special economic zones;
(d) examine and process applications for the establishment of special economic zones and issue relevant approvals;
(e) examine and process applications for trade certificates;
(f) **repealed by section 5 of Law 5 of 2016**;
(g) maintain current data on the performance in each special economic zone;
(h) enforce within a special economic zone compliance with customs procedures and other requirements for preventing the unauthorized use of a special economic zone;
(i) enforce compliance with the financial services procedures and other requirements for preventing the unauthorized use of approved special economic zone activities;
(j) suspend or revoke the trade certificate of a special economic zone enterprise which is in contravention of this Law or any other law in force in the Islands;
(k) do all such other acts as may be incidental or conducive to the attainment of the objective of the Authority or the exercise of its functions under this Law;
(l) with respect to the partners, directors of and any person who has a beneficial interest in, partnerships or companies in the Special Economic Zone, prescribe the manner in which due diligence —
   (i) requirements are to be satisfied; and
   (ii) investigations are to be conducted; and
(m) specify the procedure by which applications are to be submitted to the Authority for permission to conduct special economic zone business in the special economic zone.

(2) The Authority shall, consistent with the performance of its duties under this Law, consult with departments and agencies of the Government having duties, aims or objects related to those of the Authority.

5A. (1) The Authority may appoint committees to assist the Authority in exercising the functions of the Authority under section 5(1)(e) of this Law and shall appoint the persons the Authority considers fit to be members of the committees.
(2) The Chairman may designate a member of any committee appointed under subsection (1) to act as secretary to the committee and that member shall perform the duties that the committee may determine.

(3) The Authority may, by instrument in writing, delegate to a committee appointed by the Authority under subsection (1) the functions, other than suspension or revocation of trade certificates, that the Authority considers fit.

(4) A committee to which functions are delegated under subsection (3) shall perform the functions delegated and a decision of the committee is deemed to be a decision of the Authority.

(5) A person appointed to be a member of the Board or a committee may by conference telephone, computer or similar method facilitating real time communication between the persons attending the Board meeting or committee meeting, participate in a meeting of the Board or committee.

(6) Where necessary, for the purposes of constituting a quorum, the participation of a person at a meeting, in the manner specified in subsection (5) is considered to be and accepted as the person’s attendance at the meeting.

6. (1) The Authority shall have the power to facilitate -

(a) the procurement, management, reclamation and disposal of land and other property for the purposes of a special economic zone;
(b) the carrying out of development works and other building operations in, on or in respect of a special economic zone; and
(c) the preservation, maintenance, regulation, management and improvement of a special economic zone and the provision of additional facilities to it.

(1A) The Authority may co-opt any person to attend any meeting of the Authority at which it is proposed to deal with a particular matter, for the purpose of assisting or advising the Authority but a co-opted person does not have the right to vote at the meeting to which the person was co-opted.

(1B) The Authority may delegate to the Secretariat the Authority’s function of examining and processing applications with respect to the renewal of applications and including the refusal of applications for renewal.

(2) No other provision of this Law by virtue of which any power is exercisable by the Authority shall be construed as limiting the effect of this section.

7. (1) The fact and any particulars of, or relating to, any matter falling for consideration by, or the decision of, the Authority shall be treated as confidential by each member of the Authority and the member shall not disclose any such fact
or particulars otherwise than in the proper performance of his duties under this Law or in compliance with the order of a court.

(2) The failure by a member to comply with subsection (1) constitutes sufficient ground for the termination of his appointment.

(3) A member who fails to comply with subsection (1) commits an offence and is liable on summary conviction to a fine of five thousand dollars.

(4) Any allegation of a breach of subsection (1) shall be fully investigated by a constable of the rank of Inspector or above.

8. A member of the Authority other than a public officer is entitled to receive such remuneration in respect of each meeting attended as determined by the Cabinet from time to time.

9. (1) A member of the Authority shall not be liable in damages for anything done or omitted in the discharge or purported discharge of his functions, responsibilities, powers and duties under this Law unless it is shown that the act or omission was in bad faith.

(2) The Government shall indemnify a member of the Authority against all claims, damages, costs, charges or expenses incurred by that member in the discharge or purported discharge of his functions, responsibilities, powers and duties under this Law, except claims, damages, costs, charges or expenses caused by the bad faith of that member.

PART 3 – Special Economic Zones

10. (1) The Cabinet may by Order, on the recommendation of the Authority, declare a parcel or parcels of land, areas or locations in the Islands to be the whole or part of a special economic zone and such Order may add to or remove any parcel or parcels of land, areas or locations in the Islands from such special economic zone.

(2) An Order made under subsection (1) shall -

(a) specify the name of the special economic zone;
(b) specify the name of the developer of the special economic zone;
(c) define the geographical limits of the special economic zone; and
(d) specify the types of special economic zone business authorized to be carried on in the special economic zone.

(3) This section shall not prejudice the right of any person having an interest in any lands within the special economic zone.
Notwithstanding any Law to the contrary, for the purposes of Parts VII and VIIIA and section 201(2)(f) of the Companies Law (2016 Revision), sections 4(1) and 9(1)(f) of the Exempted Limited Partnerships Law (2014 Revision) and section 18 of this Law, a special economic zone shall be deemed to be outside of the Islands and not in the Islands.

PART 4 – Special Economic Zone Development and Operation

12. (1) The Cabinet may by Order declare a person to be a developer for the purpose of developing and operating a special economic zone under this Law.

(2) An Order made under subsection (1) shall specify -

(a) the name of the special economic zone which the developer is authorized to develop and operate;

(b) any conditions imposed on the developer; and

(c) any benefits other than those specified in the relevant Schedules.

(3) A developer and its subsidiaries shall be entitled to the benefits specified in the relevant Schedules to this Law, relating to the special economic zone specified in the Order.

(4) Neither a developer nor any of its subsidiaries shall be deemed to be a public authority, a statutory body or authority, or a body or entity of Government, for any purposes.

PART 5 – Trade Certificate

13. (1) A person shall not carry on a special economic zone business within a special economic zone and the benefits described in this Part and the relevant Schedules shall not accrue unless the person holds a valid trade certificate for that purpose under this Law.

(2) A person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine of one hundred thousand dollars or to imprisonment for a term of four years, or to both.

14. (1) Subject to subsection (2), a person that is an exempted company or an exempted limited partnership that is desirous of carrying on a special economic zone business in a special economic zone shall submit an application to the Authority for a trade certificate in accordance with this Law and the Regulations.

(1A) Where an exempted company or exempted limited partnership that is already registered as an exempted company or exempted limited partnership in the Islands applies to be registered as a Special Economic Zone entity, the change in registration of the exempted company or exempted limited partnership to registration in the Special Economic Zone shall in accordance with section 50 of the Immigration Law (2015 Revision) be a change of employer for an employee.
of the exempted company or exempted limited partnership, who holds a work permit.

(2) An application submitted under subsection (1) shall be in the prescribed form and shall be accompanied by -

(a) evidence that the person is -
   (i) an exempted company that is registered as a special economic zone company; or
   (ii) an exempted limited partnership, in good standing;
(b) a non-refundable prescribed application fee to be paid to the general revenue of the Islands; and
(c) such other information or particulars as may be prescribed or required by the Authority.

(3) Notwithstanding section 15, where an incomplete application is submitted to the Authority under subsection (1), the Authority may require an applicant to complete and re-submit the application, subject to payment of the prescribed re-submission fee to the general revenue of the Islands.

(4) A person shall not -

(a) in relation to any application submitted pursuant to this section; or
(b) in relation to any information or particulars that the person is required to furnish pursuant to this section,
make any representation or statement that the person knows is false or misleading in a material particular.

(5) A person who contravenes subsection (4) commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for a term of one year, or to both.

15. (1) Where an application is submitted to the Authority pursuant to section 14, the Authority may, within five working days of the receipt of an application, request additional information from the applicant for the purpose of considering the application.

(2) Where the Authority makes a request for information pursuant to subsection (1), the applicant shall submit that information within fourteen days of the request or within a further period of time granted and specified in writing by the Authority.

(3) The Authority shall not unreasonably refuse to give a further time period under subsection (2).
16. Where an application is submitted pursuant to section 14, the Authority shall within seven days of the application being made or additional information being received pursuant to section 15, as the case may be, grant or refuse the trade certificate and notify the applicant of the grant or the refusal and shall give the reasons in writing for a refusal.

17. (1) A trade certificate granted under section 16 shall -

(a) be issued in the prescribed form;
(b) be issued on payment of the prescribed trade certificate fee to the general revenue of the Islands;
(c) specify the period of validity of the trade certificate;
(d) specify the special economic zone business that the special economic zone enterprise may conduct within the special economic zone;
(e) specify the name of the special economic zone in which the special economic zone enterprise is authorized to carry on the special economic zone business;
(f) specify the address of the premises from which the special economic zone business is to be carried on; and
(g) specify all terms and conditions, if any, in addition to those provided for in this Law or the Regulations, under which the trade certificate is granted.

(2) The Authority shall, to the greatest possible extent consistent with the performance of its duties under this Law, consult with departments and agencies of the Government having duties or having aims or objects related to those of the Authority.

18. (1) A special economic zone enterprise shall be entitled to the benefits set out in the relevant Schedule relating to the special economic zone specified in the trade certificate issued to that special economic zone enterprise.

(2) A special economic zone enterprise shall have as its principal purpose the carrying on of business mainly outside the Islands.

(3) A special economic zone enterprise shall not trade in the Islands with any person, firm or corporation except for purposes that are ancillary to, or in furtherance of, its business carried on outside the Islands, but nothing in this section shall be construed so as to prevent such a special economic zone enterprise from effecting and concluding contracts in the Islands and exercising in the Islands all of its powers necessary or expedient for the carrying on of its business outside the Islands.

19. Price controls imposed under any Law in force in the Islands shall not apply to the sale of any article, goods or services sold or supplied by a special economic
zone enterprise from or within a special economic zone in the course of carrying on special economic zone business.

20. (1) Restrictions shall not be placed on the transfer of any investment in or by a special economic zone enterprise within a special economic zone and a special economic zone enterprise shall not be restricted to investing in any other special economic zone enterprise.

(2) Notwithstanding any Law in force in the Islands to the contrary, a non-Caymanian may own, hold, freely transfer, securitize, finance, raise security or list the legal or beneficial title of any or all of his equity in (and up to one hundred per cent of the equity in) any development company or special economic zone enterprises.

21. A special economic zone enterprise shall not transfer or assign a trade certificate to any other person.

22. (1) Subject to the voluntary surrender of a trade certificate under section 25 or suspension or revocation of a trade certificate under section 26, a trade certificate shall be valid for the period specified in the trade certificate.

(2) A special economic zone enterprise shall, annually on or before every 31st January of every year after the first issuance of the trade certificate, pay to the general revenue of the Islands the prescribed annual fee in respect of the trade certificate.

(3) A special economic zone enterprise who fails to pay the prescribed annual fee by the date specified in subsection (2) shall pay to the general revenue of the Islands a surcharge not exceeding one-twelfth of the prescribed annual fee for every month or part of a month that the prescribed annual fee is not paid.

(4) If the prescribed annual fee referred to in subsection (2) is not paid, the unpaid prescribed annual fee may be sued for by the Government by action as a civil debt and the Authority may require, and the court may order, the payment of any surcharge accrued under subsection (3) in respect of the late payment of the prescribed annual fee.

23. On application made by a special economic zone enterprise in the prescribed form and on payment of the prescribed amendment fee, the Authority may amend the applicant’s trade certificate, among other things to -

(a) change or include additional addresses or premises at which the special economic zone business may be carried on;
(b) change the name of the special economic zone enterprise; or
(c) vary any term or condition of a trade certificate.

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24. Notwithstanding section 23, every special economic zone enterprise that during the currency of the trade certificate changes its address or corporate identity or the scope of its business shall forthwith notify the Authority in writing.

25. A special economic zone enterprise shall, within thirty days of voluntarily ceasing to carry on special economic zone business, give notice in writing to the Authority and surrender its trade certificate which shall be deemed to be invalid from the date the holder ceased to carry on special economic zone business or such other date as determined by the Authority.

26. (1) Where a special economic zone enterprise contravenes the provisions, terms or conditions of this Law, the Regulations or its trade certificate, the Authority, after proper notice and hearing, may suspend or revoke the trade certificate.

(2) A trade certificate that is revoked is invalid.

(3) A trade certificate that is suspended is invalid for the period of the suspension.

27. (1) Subject to subsection (2), the Authority shall keep and maintain a register of all trade certificates and special economic zone enterprises, in the form determined by the Authority which may be in electronic form.

(2) The Authority shall record the following particulars in the Register for each trade certificate and special economic zone enterprise:

(a) the number, date of issue and date of expiry of the trade certificate;
(b) the name of the special economic zone enterprise;
(c) the postal address of the special economic zone enterprise;
(d) the address of the premises at which the special economic zone business is being carried on;
(e) the type of special economic zone business permitted to be carried on; and
(f) the terms and conditions of the trade certificate.

(3) Subject to subsection (4), the Authority shall allow -

(a) the public access to the Register and shall take necessary measures to give effect to the same; and
(b) a person to inspect the Register and make a copy of any part of the Register on payment of the prescribed fee.

(4) Nothing in this section shall be read as abrogating any provision of any Law in force in the Islands that restricts access to records.
28. Subject to this Law and for the avoidance of doubt, the provisions of the Immigration Law (2015 Revision) shall apply to a developer, a special economic zone enterprise and a director, partner, officer or employee of a developer or a special economic zone enterprise.

29. (1) The Authority may take action in accordance with this Law for contravention of any requirements under this Law, the Regulations or a trade certificate by a special economic zone enterprise.

   (2) The Authority, the Chief Immigration Officer and any other regulatory authority in the Islands shall in accordance with the relevant law in force in the Islands have authority to inspect any operation or facilities in a special economic zone for contravention of applicable requirements.

   (3) The Chief Officer of the Ministry with responsibility for the department of Government known as the Department of Commerce and Investment or the Chief Officer's designate shall assign trade officers to the Authority for the purpose of assisting the Authority with the execution of the functions of the Authority and the exercise of the powers of the Authority under this Law.

   (4) The Authority may instruct the Director or a trade officer assigned to the Authority, as necessary for the purpose of executing the functions of the Authority or enforcing the powers of the Authority under sections 5(1)(h) or 5(1)(i) of this Law.

29A. (1) For the purposes of this Law, the Director or a trade officer, carrying out an instruction or exercising any power pursuant to section 29, shall have the rights, powers, privileges and immunities of a constable and may enter and search any premises with a warrant issued by a Justice of the Peace or Magistrate.

   (2) The Director or a trade officer, when carrying out instructions or exercising a power under this Law, shall at all times carry and produce if requested, photo identification issued by the department of Government known as the Department of Commerce and Investment which clearly indicates that the person producing the photo identification is the Director or a trade officer from the department of Government known as the Department of Commerce and Investment.

29B. (1) An application for a warrant shall be made by the Authority to a Magistrate or a Justice of the Peace in the prescribed manner.

   (2) The member of the Authority who, on behalf of the Authority, provides the information on oath forming the basis upon which the application for the warrant is made shall also sign the application for the warrant.
(3) If a Magistrate or a Justice of the Peace is satisfied by information on oath given by a member of the Authority that -

(a) there is reasonable ground for suspecting that an offence against this Law has been or is being committed and that evidence of the commission of the offence is to be found at any premises specified in the information; or

(b) any books or documents which ought to have been produced and have not been produced are to be found at any premises,

the Magistrate or Justice of the Peace may grant a warrant authorising the Authority to execute the warrant to enter and search the premises specified in the information at any time within one month from the date of the warrant.

(4) Where a warrant is granted under subsection (3) the Authority may delegate the power to enter and search premises to a trade officer to execute the warrant on behalf of the Authority.

(5) Where under this section a trade officer has the power to enter and search any premises the trade officer may use force that is reasonably necessary for the purpose of exercising that power of entry and search.

(6) A person who obstructs a trade officer in the exercise of any power conferred on the trade officer under this Law commits an offence and is liable on summary conviction to a fine of five thousand dollars or to imprisonment for one year, or to both.

30. The Cabinet may, after consultation with the Authority, make regulations prescribing all matters that are required or permitted by this Law to be prescribed or are necessary or convenient to be prescribed for giving effect to the purposes of this Law and, in particular, to -

(a) determine application procedures;

(b) determine criteria for the grant of trade certificates;

(c) determine procedures for providing the benefits accruing to developers or special economic zone enterprises;

(d) ensure adequate security within such special economic zones which, by their nature require such provisions;

(e) prescribe the fees payable pursuant to this Law;

(f) determine the form of trade certificates to be issued under this Law and the procedures for amendment, suspension and revocation of trade certificates; and

(g) require information from developers and special economic zone enterprises.
SCHEDULE 1

Constitution and Procedure of Authority

1. A member of the Authority appointed under section 3(2)(a) shall, subject to this Schedule, hold office for a period not exceeding two years or until Cabinet makes a re-appointment but such member shall be eligible for re-appointment.

2. The Cabinet may appoint any person to act temporarily in the place of the Chairman or a member of the Authority in the case of the absence or inability to act of the Chairman or of such member as the case may be.

3. The Chairman or any member may, at any time, resign his office by instrument in writing addressed to the Cabinet and such resignation shall take effect as from the date of receipt of such instrument by the Cabinet.

4. The Cabinet may, at any time, revoke the appointment of any member, including the Chairman.

5. The Authority shall meet at such times as may be necessary or expedient for the transaction of business and such meetings shall be held at such places and times and on such days as the Chairman may determine.

6. If the Chairman is absent from a meeting the Deputy Chairman shall preside and if both the Chairman and the Deputy Chairman are absent the members present at the meeting shall elect one of their numbers to preside thereat as Chairman.

7. The quorum for meetings of the Authority shall be five members participating and voting in the meeting.

8. The decisions of the Authority shall be by a majority of votes of members present and voting and, in addition to an original vote, the Chairman shall have a second or casting vote in any case in which the voting is equal.

9. Minutes in proper form of each meeting shall be kept by the Secretariat and shall be confirmed by the Chairman as soon as practicable at a subsequent meeting.

10. Subject to this Schedule, the Authority shall have power to regulate its own proceedings.

11. The validity of any proceedings of the Authority shall not be affected by any vacancy amongst the members thereof or by any defect in the appointment of a member thereof.
SCHEDULE 2

Benefits Accruing to the Developer of Cayman Enterprise City

From the date of commencement of this Law, the developer and its subsidiaries in respect of Cayman Enterprise City shall -

(a) be entitled to the benefits that would be applicable to a special economic zone enterprise under section 18 (as set out in Schedule 3);

(b) be exempt from paying fees or other monies due or levied by or on behalf of the Government -

(i) in respect of any matter in connection with fulfilling its obligations to establish, own, develop, operate, maintain, manage and administer Cayman Enterprise City except for -

(A) stamp duties referred to in paragraph 1(g) of Schedule 3, other than, for a period of three years, sums payable under the Land Holding Companies Share Transfer Tax Law (2016 Revision) in relation to any change in up to 40% of the shareholding in the developer or the development companies which are land holding companies holding property comprising the special economic zone,

(B) work permit fees; and

(C) duties on construction materials, which duty shall be a maximum of 15%; and

(ii) arising pursuant to the Companies Law (2016 Revision); Customs Law (2017 Revision); Development and Planning Law (2017 Revision); Electricity Law (2008 Revision); Electronic Transactions Law (2003 Revision); Exempted Limited Partnership Law (2014 Revision); Government Fees Law (2016 Revision); Immigration Law (2015 Revision); Plants (Importation and Exportation) Law (1997 Revision); Public Management and Finance Law (2017 Revision); Port Authority Law (1999 Revision); Private Security Services Law, 2007; Tax Collection Law (1998 Revision); and Regulations made thereunder, in respect of the establishment, development, operation, administration and maintenance of Cayman Enterprise City except that this paragraph shall not be interpreted to exempt government surcharges (such as, those added to the bills of utility
companies) if any such surcharges apply to all businesses in the Islands.

SCHEDULE 3

section 18

Benefits Accruing to Special Economic Zone Enterprises Located within Cayman Enterprise City

1. A special economic zone enterprise located in Cayman Enterprise City shall be exempt from:

(a) the Trade and Business Licensing Law, 2014;
(b) the Local Companies (Control) Law (2015 Revision);
(c) the Electronic Transactions Law (2003 Revision);
(d) the Land Acquisition Law (1995 Revision); and
(e) subject to paragraph 2, any liability or obligation (whether current or contingent) to pay any direct or indirect taxes, import or other duties, or fees (whether, and without limitation, in respect of registration, filing, employment, immigration, work permits, profits, income, gains, appreciations, transfers, assets, property, real estate, planning consents, gifts, estate duty, stamp duty, inheritance, import, export, or otherwise, with specific exemption from import duty on branded stationery, marketing materials and related paraphernalia of special economic zone enterprises) that may be, are, or are to be levied by or on behalf of the Government at any time during or in respect of the period between the date of this Law coming into force and the end of the 2061 calendar year.

2. Notwithstanding paragraph 1(e), but subject to Regulations, a special economic zone enterprise shall not by virtue of this Law be exempted from liability or obligation to pay:

(a) registration, filing or annual fees under the Exempted Limited Partnership Law, 2014 or the Companies Law (2016 Revision);
(b) stamp duty levied by or on behalf of the Government under -
   (i) the Stamp Duty Law (2013 Revision) in respect of -
      (A) an agreement or memorandum of agreement for the purchase of any land or strata title (or interest in any land or strata title) or assignment in respect thereof; or
      (B) a lease, or agreement for a lease, of immovable property or any interest therein; and
   (ii) the Land Holding Companies Share Transfer Tax Law (2016 Revision); and
(c) customs or import duties or tariffs on individual consumables worth less than US$ 5,000 imported into the relevant special economic zone after the fifth anniversary of the date on which the certificate of occupancy (in respect of the final building of one or more office buildings comprising in aggregate at least 150,000 sq. ft. leased built area in Cayman Enterprise City) is issued;

(d) work permit fees; and

(e) trade certificate fees (which shall be capped at US$150 per business per annum), levied by or on behalf of the Government.

3. The Labour Law (2011 Revision) and the National Pensions Law (2012 Revision) and Regulations made thereunder shall apply to a special economic zone enterprise located in Cayman Enterprise City and to the partners, directors, officers and employees of the special economic zone enterprise and their spouses and dependants, except that -

(a) such special economic zone enterprise shall be entitled to employ any person it chooses who either has been issued with a current and appropriate work permit or is otherwise entitled to work in the Islands without a work permit, on such terms and conditions as may be agreed between the special economic zone enterprise and that person (including remuneration of whatever kind, currency, or rate they agree) and those terms and conditions shall be regarded as confidential information as defined in the Confidential Information Disclosure Law, 2016 but such remuneration shall not be lower than that prescribed as the minimum wage in the Labour Law (2011 Revision); and

(b) the transfer or exchange of pension money or pension assets out of the Islands in respect of partners, directors, officers and employees of a special economic zone enterprise at the end of the valid period of the partners, directors, officers and employees respective work permits shall be subject to the National Pensions Law (2012 Revision).

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Clerk of Cabinet