

# CAYMAN ISLANDS SHIPPING REGISTRY

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## Shipping Notice – CISN 03/01 - Stamp Duty

### Waiver or Abatement of Stamp Duty on Mortgages on Cayman Registered Vessels

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*To: OWNERS, AGENTS, PRACTITIONERS, REPRESENTATIVE PERSONS AND FINANCIERS  
ARRANGING MORTGAGES ON CAYMAN REGISTERED VESSELS*

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The Mortgage section of the Schedule to the Stamp Duty Law (2001 Revision) (the “Law”) contains an error that has the unintended effect of subjecting mortgages on certain categories of movable property to stamp duty of 1.5% of the sum secured. It is planned to correct this error during the September meeting of the Legislative Assembly.

Meanwhile, in the exercise of his discretion under section 20(6)(a) of the Law, the Financial Secretary, as Commissioner of Stamp Duty, is prepared to issue the following in respect shipping mortgages:

- a) A waiver of 100% of stamp duty in respect of mortgages on ships situated outside the Cayman Islands and of any and all security that is collateral to such mortgages, including, but not limited to deeds of covenant, share mortgages and assignments including assignments of ownership interest, insurances and earnings; and,
- b) An abatement of stamp duty so that the maximum duty payable is CI\$500, applying the terms of the proviso to part (a) of the Mortgages head of the Schedule to the Law,

as the case may be.

Applications for waiver/abatement are to be submitted to the Financial Secretary but it will expedite matters if these applications are submitted through the CISR who will authenticate the mortgage when registered. The object is to be able to issue the waiver/abatement on the same day as the mortgage is registered so as to provide comfort to the mortgagee. Attached is a form for this purpose, entitled Application for Waiver or Abatement of Stamp Duty. The CISR will charge a time-based fee for acting.

Applications should be made for all mortgages arranged since February 26, 2001, the date the 2001 revision to the Stamp Duty Law was gazetted.

# Application for Waiver or Abatement of Stamp Duty

Name of ship \_\_\_\_\_

Official number \_\_\_\_\_

Location of ship \_\_\_\_\_

Mortgage on ship  
Registered mortgage      Date \_\_\_\_\_

Equitable mortgage      Date \_\_\_\_\_

Mortgage on shares of shipping company/entity\*  
Legal mortgage      Date \_\_\_\_\_

Equitable mortgage      Date \_\_\_\_\_

Name of shipping company/entity\* \_\_\_\_\_

Attached is a copy of the Statutory Mortgage or, in the case of any unregistered mortgage (legal or equitable mortgage), documentary evidence of its existence.

I hereby apply for a waiver/abatement\* of stamp duty in respect of the ship or shipping company/entity\* whose particulars are described above.

Applicant

CISR Authentication

Signature \_\_\_\_\_

\_\_\_\_\_

Name \_\_\_\_\_

\_\_\_\_\_

Capacity \_\_\_\_\_

\_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_

Approved      (a) A waiver of 100% of stamp duty.\*

(b) An abatement of stamp duty so that the maximum duty payable is CI\$500.\*

Signature \_\_\_\_\_

Name \_\_\_\_\_

Capacity \_\_\_\_\_

Date \_\_\_\_\_

\* Delete as appropriate.