



TURKS AND CAICOS ISLANDS

CHAPTER 77

PURCHASE OF LAND (EXTENDED PAYMENT AGREEMENTS) ORDINANCE

Revised Edition

showing the law as at 15 May 1998

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Revised Edition of the Laws Ordinance 1997.

This edition contains a consolidation of the following laws—

PURCHASE OF LAND (EXTENDED PAYMENT AGREEMENTS) ORDINANCE

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Amended by Ordinance 9 of 1997 .. in force 25 September 1997

No Subsidiary Legislation has been made under this Ordinance

CHAPTER 77

**PURCHASE OF LAND (EXTENDED PAYMENT
AGREEMENTS) ORDINANCE**

ARRANGEMENT OF SECTIONS

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CHAPTER 77

PURCHASE OF LAND (EXTENDED PAYMENT
AGREEMENTS) ORDINANCE

(Ordinances 4 of 1977 and 9 of 1997)

[2 May 1977] Commencement

1. This Ordinance may be cited as the Purchase of Land (Extended Payment Agreements) Ordinance. Short title

2. In this Ordinance, unless the context otherwise requires— Interpretation

“extended payment agreement” or “agreement” means a contract for the sale of a freehold interest in land in a case in which it is a condition of the contract that the purchase money shall be paid by the purchaser to the vendor in instalments and that the conveyance of the freehold interest to the purchaser shall not be executed until the payment of the final instalment;

“Extended Payment Agreement Register” means the Register maintained in accordance with section 4(2);

“instalment” means an instalment of the purchase money payable under an extended payment agreement;

“purchaser” means the prospective purchaser who is a party to an extended payment agreement and includes his heirs and assigns;

“Registrar” means the Registrar of Lands appointed under the Registered Land Ordinance; Cap. 72

“stamp duty” means duty payable under the Stamp Duty Ordinance; Cap. 157

“vendor” means the prospective vendor who is a party to an extended payment agreement, and includes his heirs and assigns.

3. (1) Stamp duty is payable on an extended payment agreement under section 19 of the Stamp Duty Ordinance at the rate applicable at the date of the agreement. Stamp duty

(2) Stamp duty payable on an extended payment agreement shall be paid before it is accepted for filing with the Registrar under section 4.

(Substituted by Ord. 9 of 1997)

Agreements to
be in writing and
filed with the
Registrar

4. (1) An extended payment agreement shall be in writing and shall contain the following particulars—

- (a) the names and addresses of the parties thereto;
- (b) the particulars of the land concerned and any Land Registry reference thereto;
- (c) the total amount of the consideration to be paid by the purchaser before he is entitled to the conveyance of the freehold interest;
- (d) the amount of each instalment and the intervals at which each payment is to be made;
- (e) the period for which the agreement is to extend;
- (f) such other matters as the parties consider to be relevant in any particular case.

(2) Upon the execution of an extended payment agreement, the purchaser shall pay to the vendor, or his authorised agent, the amount estimated to be the stamp duty payable thereon, and within one month of the date of the agreement, the vendor shall present the same to the Registrar, duly stamped and accompanied by a caution in conformity with section 127 of the Registered Land Ordinance, for registration in respect of land to which the agreement relates; and the Registrar shall record in a register to be known as the Extended Payment Agreement Register, to be maintained by him, the details of the agreement which are referred to in subsection (1):

Provided that if the land to which an agreement relates is, or forms part of, a plot of land in respect of which survey and mutation under the Registered Land Ordinance has not yet been carried out, the Registrar may require that the agreement be accompanied by a plan or such other description which the Registrar, in his absolute discretion, deems necessary to identify that part of such plot to which the agreement relates:

Provided further that if the parties to the agreement so agree, the purchaser may himself have the agreement stamped and may present the same for registration in accordance with this subsection.

(3) Any vendor, and any agent in the Islands acting or authorised to act on behalf of the vendor in relation to an extended payment agreement, who, having received from the purchaser the estimated amount of the stamp duty payable thereon, fails to stamp and register such agreement in conformity with the provisions of this section, shall be guilty of an offence and liable on summary conviction to a fine of \$1,000, and may be ordered by the court recording such conviction to pay to the

Permanent Secretary, Finance the amount of the stamp duty which would otherwise be lost by reason of such default.

(4) Any extended payment agreement to which this section applies which is not stamped and registered in accordance with the foregoing provisions shall be deemed to be void for all purposes and to be unenforceable in any court.

5. (1) In any case in which a purchaser has failed to pay to the vendor the amount of the stamp duty on an extended payment agreement, as required by section 4(2), or the amount so paid has been insufficient, and the purchaser has not himself stamped and registered the agreement under the provisions of the proviso to that subsection, the vendor shall pay the stamp duty and register the agreement as provided by that section.

Liability of vendor in certain cases and his remedy against the purchaser

(2) Any vendor, and any agent in the Islands acting or authorised to act on behalf of the vendor in relation to the agreement concerned, who fails to comply with the requirements of subsection (1) shall be guilty of an offence and liable on summary conviction to a fine of \$500, and may be ordered by the court recording such conviction to pay to the Permanent Secretary, Finance the amount of the stamp duty which would otherwise be lost by such default.

(3) Where a vendor has been obliged to pay the stamp duty on an agreement in accordance with subsection (1), the amount thereof, or any part thereof in excess of the amount received by him from the purchaser, together with interest thereon at ten *per centum per annum* from the date of the registration of the agreement concerned, shall be recoverable as a debt due from the purchaser to the vendor.

(4) During such time as any sum payable by a purchaser to the vendor under subsection (3) has not been paid, the vendor shall be entitled to refuse, notwithstanding the payment by the purchaser of all the instalments due under the said agreement, to complete the conveyance of the land concerned and, during such time, no court shall make an order for specific performance of the contract to convey the interest in the land, to which the agreement relates, to the purchaser except upon the condition that such sum shall first be paid by the purchaser to the vendor.

6. Notwithstanding the provisions of the Stamp Duty Ordinance, no stamp duty shall be payable on the conveyance by the vendor to the purchaser of the freehold interest in any land purchased in accordance with the terms of an extended payment agreement in any case in which stamp duty has been paid on that agreement under the provisions of section 3; and no further liability to any stamp duty under this Ordinance or the Stamp Duty Ordinance shall arise by reason of any increase in the value

Subsequent conveyance exempted from stamp duty

of the land concerned between the date of the making of the agreement and the date of the conveyance made on completion of the agreement:

Provided that no person shall be entitled to repayment of any stamp duty by reason of any decrease in the value of the land concerned between those dates.

Stamp duty not
repayable

7. No person shall be entitled to the repayment of any stamp duty paid under the provisions of this Ordinance (or any part of such duty) by reason of the determination of any extended payment agreement, whether by default in payment of instalments or otherwise, before the completion of the term thereof, or on any other grounds.

Vendor to
arrange for
survey of land in
certain cases

8. Where an extended payment agreement relates to land which is, or forms part of, a plot of land in respect of which, at the date of the agreement, no survey and mutation has been carried out under the provisions of the Registered Land Ordinance, the vendor shall take action for ensuring that such survey and mutation is carried out within two years of the date of registration of the agreement, and if he fails so to do he shall be guilty of an offence and liable on summary conviction to a fine of \$500.

9. The power to make rules under the Registered Land Ordinance shall be deemed to extend to the making of rules with respect to the registration of cautions and extended payment agreements, and matters incidental thereto, for the purpose of and in accordance with the provisions of this Ordinance, and shall include the prescribing of fees payable in respect of such registration.

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