



BERMUDA - August 2019

LAND TAX SURCHARGE ADDS TO BURDEN..... 1

Land tax surcharge adds to burden

At the last budget it was reported that there would now be a minimum fee for land tax of \$300 per annum since “that’s what it costs to collect the tax”. As you will recall, there was a bit of an outcry because this, in most instances, caused huge increases in land tax payable on units with low annual rental values — presumably the very people this Government promised to “help”.

The imposition of the \$300 minimum tax resulted in increased bills to the order of 50 per cent and more. For folks already struggling to pay the increased bills caused by this government’s ill-thought-out taxation changes and other “initiatives” that have resulted in price increases across the board, every additional amount is a burden.

Now, having received the land tax demand for the second half of this year, we see that the “minimum tax” of \$300 per annum has been applied to the land tax demands for all properties, even those that are already paying significantly more than \$300 per annum and this surcharge (that’s what they have called it) is on top of much increased taxation rates throughout the various, higher bands of taxable annual rental value.

Our land tax has increased by 35 per cent and in addition there is now an annual \$300 “surcharge”. Surely this must be a mistake as this was not what was explained to us after the Budget?

But no, a phone call to the Office of the Tax Commissioner — which was, in itself, quite difficult as both the telephone numbers listed at the top of the land tax demand are “not a working number”, really, you can’t make this up! — confirmed that the Office of the Tax Commissioner has been instructed to add the \$300 surcharge to all land tax bills. So much for transparency ... this was never mentioned at the time of the Budget.

The PLP government is having no trouble in living up to its “tax and spend” reputation.

Surely even those that voted for them are now suffering and getting tired of paying for their poor fiscal policies and limited ability to find a way to balance the Budget without burdening the public with yet more ways to wring money from those who are needed to keep the economy going?

We know that folks vote on party lines without considering what is best for the country as a whole, but please can we end this suffering and put folks in charge who are competent to run the country? Otherwise, there isn’t going to be a country left to run.