

No. 2 of 2019

VIRGIN ISLANDS

**ECONOMIC SUBSTANCE (COMPANIES AND LIMITED
PARTNERSHIPS) (AMENDMENT) ACT, 2019**

ARRANGEMENT OF SECTIONS

Section

1. . Short title.
- 2...Section 1 amended.
- 3...Section 2 amended.
- 4...Section 5 amended.
- 5...Section 8 amended.
- 6...Amendments to be retrospective.

**I Assent
(Sgd.) Augustus J. U. Jaspert,
Governor.
30th January, 2019**

VIRGIN ISLANDS

No. 2 of 2019

An Act to amend the Economic Substance (Companies and Limited Partnerships) Act, 2018 (No. 12 of 2018) and to provide for matters incidental thereto.

[Gazetted 4th February, 2019]

ENACTED by the Legislature of the Virgin Islands as follows:

Short title.

1. This Act may be cited as the Economic Substance (Companies and Limited Partnerships) (Amendment) Act, 2019.

Section 1
amended.
No. 12 of 2018

2. Section 1 of the Economic Substance (Companies and Limited Partnerships) Act, 2018 (referred to in this Act as “the principal Act”) is amended

(a) in subsection (2), by replacing the words “The provisions” with the words “Subject to subsection (3), the provisions”; and

(b) by inserting after subsection (2), the following new subsection:

“(3) Section 16 of the principal Act shall come into force on 30 June 2019 or such other date as the Minister may, by Notice published before 30 June 2019 in the *Gazette*, appoint.”.

Section 2
amended.

3. Section 2 of the principal Act is amended

- (a) in the definition of “competent authority”, by inserting the word “Tax” after the word “International” where it occurs a second time;
- (b) in the definition of “headquarters business”, by replacing the words “holding company business” with the words “holding business” and by replacing the word “Group” wherever it occurs with the word “group”;
- (c) in the definition of “limited partnership”, by inserting the words “,or where the limited partnership does not have legal personality for any other reason” after the words “legal personality”.

4. Section 5(2) of the principal Act is amended by inserting the words “in respect of each such relevant activity” after the words “economic substance requirements”. Section 5 amended.

5. Section 8 of the principal Act is amended Section 8 amended.

- (a) in subsection (1)(c), by inserting the words “in the Virgin Islands” after the words “income-generating activity”;
- (b) in subsection (2)(b), by replacing
 - (i) the words “has adequate employees” wherever they occur, with the words “has, in the Virgin Islands, adequate employees”; and
 - (ii) the words “equitable interests or shares” wherever they occur, with the words “equity participations”.

6. The amendments made by this Act shall take effect as if they had been in the principal Act from the date of its enactment. Amendments to be retrospective.

Passed by the House of Assembly this 22nd day of January, 2019.

(Sgd.) Ingrid Moses-Scatliffe,
Speaker.

(Sgd.) Phyllis Evans,
Clerk of the House of Assembly.