

## **CLIENT MEMORANDUM**

### **Acquisition of Real Estate in The Bahamas by non Bahamians and by companies under their control**

The International Persons Landholding Act 1993 (“the Act”) which repealed the former Immovable Property (Acquisition by Foreign Persons) Act governs the acquisition or holding of real estate in the Commonwealth of The Bahamas by non-Bahamians and permanent residents of The Bahamas. “Non-Bahamian” means a person who is not a citizen of The Bahamas; or a company incorporated in The Bahamas where any of its shares or other capital is beneficially owned by a person who is not a citizen or where it is controlled by such person or persons; or a company incorporated outside of The Bahamas or an international organization. The Act came into operation on the 1<sup>st</sup> day of January, 1994.

The Act provides that a non-Bahamian (other than a permanent resident or a non-Bahamian acquiring an interest in land under a devise or inheritance) who acquires a condominium or property for the use as a single dwelling does not require a permit but must register the acquisition with the Investments Board of The Bahamas (“the Board”) unless the non-Bahamian would be the holder of two or more contiguous acres of land. Upon receipt of the application fee the acquisition will be registered and a certificate issued to the applicant.

A permanent resident who acquires land must also have the acquisition registered with the Board.

A non-Bahamian who acquires land under a devise or by inheritance need only register the acquisition with the Board.

A non-Bahamian (other than a permanent resident or a non-Bahamian acquiring an interest in land under a devise or inheritance) who intends to acquire, whether freehold or leasehold, land for use other than a condominium, single dwelling or where it comprises two acres or more, must obtain a permit from the Board to make the acquisition. The Board may use its discretion in granting or refusing a permit.

There are standard application forms for the Certificate of Registration and the Permit. A fee of \$250.00 must accompany the application for the Certificate of Registration. Upon the approval of the Permit a fee of \$500.00 is payable for the issue of the same.

There are comparable provisions where a business lease exceeding twenty-one years is concerned.

The Certificate of Registration or Permit must be recorded in the Registrar General’s Department with the documents whereby the acquisition was made by the non-Bahamian. If the acquisition is recorded without the requisite Certificate of Registration or Permit that registration becomes null and void and without effect for all purposes of law.

The Act enables a non-Bahamian who owns and maintains a home in The Bahamas to obtain an annual home owner’s resident card upon application and payment of a fee to the Director of Immigration. The entry of the non-Bahamian and his immediate family into The Bahamas will be authorized unless their entry is otherwise barred under the Immigration laws.