

CIG Policy on Stamp Duty on chattels



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General Items

"Moveable property" such as furniture, appliances, cutlery etc are known as chattels and these are not subject to Stamp Duty.

In the Cayman Islands, it is commonplace to buy or sell houses and condominiums in a furnished condition. In such circumstances, the total price paid for the property will reflect any chattel included in the sale, and for Stamp Duty purposes purchasers are entitled to list in the form of an inventory, and then deduct, the value of these chattels from the overall price paid.

Chattels are defined as those items or objects not being a constituent part of the building structure and which can be removed easily and without detriment to the same.

For an item to be regarded as part of the land and therefore chargeable to Stamp Duty, as opposed to a chattel which is not, it must be annexed to the property.

The issue will then turn on the degree and purpose of the annexation, with emphasis being placed in many cases to use and/or purpose of the item.

It does not matter that the parties to a transaction may agree a particular apportionment which is then documented in the contract. An estimated amount must be stated for each item which reflects the price it is likely to achieve in the market, considering its current condition and age.

An apportioned of the chattels based on a percentage of the gross consideration, will not be accepted.

The Valuation & Estates Office has the right to make enquiries under section 6 of the [Stamp Duty Law \(2019 Revision\)](#) (PDF, 97 Kb, 28 pages) to request information or records that are necessary or desirable for the purpose of

assessing Duty. This includes invoices for the purchase of items, notably those that are newly purchased. It is therefore quite possible that we will undertake enquiries into cases where a deduction has been made for chattels to confirm that those items properly fall within the definition of chattels.

We are unable to provide a comprehensive list of items that are accepted as chattels. This is because each case must be considered on its own merits.

The following items are normally be regarded as chattels;

- Carpets.
- Curtains and blinds.
- Free standing furniture.
- Refrigerators, cookers etc provided it is not built in to the property.
- Light shades and fittings (unless recessed)
- Satellite Dish
- Potted Plants

On the other hand, the following items will not normally be regarded as chattels;

- Fitted kitchen units, cupboards, sinks and worktops
- Wall mounted or fitted appliances (oven, fridge, hoods, microwaves)
- Floor and wall tiles
- Fitted bathroom sanitary.
- Hot water heaters
- Air conditioning systems
- Intruder alarm systems
- Ceiling Fans
- Generators

- Chandeliers which are hung from the ceiling with bolts or screws
- Externally, any plants, shrubs or trees growing in the soil which forms part of the land
- Hurricane Shutters will not normally be considered as a chattels

Solar Panels

In *Borwick Development Solutions LTD V Clear Water Fisheries (2019)*, it was decided that solar panels are fixtures for the following reasons:-

- a) Degree of annexation: - Solar panels are generally attached to the roof of a house of building with electrical wiring to connect the solar panels to the power supply. Also, the inverters are typical installed near the electricity meter box to convert the solar energy into electricity. Furthermore, solar panels can not be removed without significant damage to the property.
- b) Intention/Purpose: Solar panels are normally installed for the benefit of the land and the vendor does not have any intention of removing.

This information is adopted from the United Kingdom Stamp Duty Land Tax Manual

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