

AS TABLED IN THE HOUSE OF ASSEMBLY

A BILL

entitled

COMPANIES AND LIMITED LIABILITY COMPANY AMENDMENT ACT 2024

WHEREAS it is expedient to amend the Companies Act 1981 and the Limited Liability Company Act 2016 to remove the requirement for companies and limited liability companies to obtain Ministerial consent for certain land-holding for a term up to 21 years, and to make a consequential amendment;

Be it enacted by The King's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act may be cited as the Companies and Limited Liability Company Amendment Act 2024.

Amends the Companies Act 1981

- 2 (1) This section amends the Companies Act 1981.
- (2) In section 120 (acquisition of land by local companies), in subsection (4)—
- (a) at the end of the opening words insert “, without requiring the consent of the Minister,”;
 - (b) in paragraph (a), delete “without the requiring consent of the Minister,”;
 - (c) in paragraph (b), delete “with the consent of the Minister,”.
- (3) In section 129 (restriction on acquisition of property by exempted companies), in subsection (1)(a)(ii) delete “with the consent of the Minister granted in his discretion,”.

Amends the Limited Liability Company Act 2016

- 3 (1) This section amends the Limited Liability Company Act 2016.
- (2) In section 20 (acquisition of land by local LLCs), in subsection (4)—
- (a) at the end of the opening words insert “, without requiring the consent of the Minister,”;

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(b) in paragraph (a), delete “without requiring consent of the Minister,”;

(c) in paragraph (b), delete “with the consent of the Minister.”

(3) In section 24 (restrictions on carrying on business etc by exempted LLCs), in subsection (1) for paragraph (a) substitute—

“(a) acquire or hold land in Bermuda except—

(i) land required for its business by way of lease or tenancy agreement for a term not exceeding fifty years; or

(ii) land by way of lease or tenancy agreement for a term not exceeding twenty-one years in order to provide accommodation or recreational facilities for its managers, officers and employees;”.

Consequential amendment

4 In the Government Fees Regulations 1976, in Head 16 (Companies Act 1981), paragraph (59) is revoked.

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EXPLANATORY MEMORANDUM

This Bill seeks to amend the Companies Act 1981 and the Limited Liability Company Act 2016 to remove the requirement for companies and limited liability companies to obtain the consent of the Minister of Finance for certain land-holding for a term up to 21 years.

Clause 1 gives the title.

Clause 2 amends sections 120(4) and 129(1)(a)(ii) of the Companies Act 1981 to remove the requirement for local and exempted companies to obtain the consent of the Minister to hold land by way of lease or letting agreement for a term not exceeding 21 years to provide accommodation or recreational facilities for their officers and employees.

Clause 3 amends section 20 of the Limited Liability Company Act 2016 to remove the requirement for local limited liability companies (LLCs) to obtain the consent of the Minister to hold land by way of lease or letting agreement for a term not exceeding 21 years to provide accommodation or recreational facilities for their managers, officers and employees. This clause also amends section 24 of that Act to insert a new matching provision for exempted LLCs.

Clause 4 makes a consequential amendment to Head 16 of the Government Fees Regulations 1976 to remove the fee of \$100 that was prescribed for applying for residential lease consent under sections 120 and 129 of the Companies Act 1981.