

NOTICE TO AUTHORIZED DEALERS
AND AUTHORIZED AGENTS

EXCHANGE CONTROL REGULATIONS ACT 1952

This Notice is one in an administrative series issued by The Central Bank of The Bahamas to draw attention to the Regulations made under the Exchange Control Regulations Act, 1952 and the Exchange Control Regulations 1956, and to give certain exemptions, permissions, authorities and directions, and imposes certain obligations upon those concerned. This Notice also takes account of the fact that the Scheduled Territories include The Commonwealth of The Bahamas only.

**CHANGE OF RESIDENCE FROM THE BAHAMAS TO A
COUNTRY OUTSIDE THE BAHAMAS**

This issue comes into effect 1st March, 1976 and supersedes those which were previously issued.

INTRODUCTION

1. Persons who are residents of The Bahamas for Exchange Control purposes who change their country of residence to a country outside The Bahamas are normally permitted to transfer up to B\$25,000 from their Bahamian assets to their new country of residence together with any foreign currency securities which they may hold. During the following four years, their remaining assets may be transferred abroad only through the investment currency market.
2. The four years restriction will not be applied where the person is a national or citizen of a country outside The Bahamas.
3. This Notice describes facilities available to the persons referred to in paragraphs 1 and 2 and sets out the procedure to be followed. This Notice does not apply to persons who, although they have been living in The Bahamas for a period of years, were not regarded as residents of The Bahamas for the purpose of the Exchange Control Regulations 1956. However, it does apply to persons who, while living abroad, have continued to be regarded for the purposes of the Exchange Control Regulations 1956 as resident in The Bahamas but wish to be regarded as resident outside The Bahamas.

GENERAL

4. It is of the utmost importance that Authorized Dealers bring to the notice of their customers;
 - (a) Any change in their designation of their customers' accounts resulting from a change in their residential status for the purposes of the Exchange Control Regulations 1956, and
 - (b) Any consequent restriction on payments to, or for the credit of, or on behalf of, their customers or on transactions in securities in which their customers may be concerned.
5. Where Authorized Dealers have reason to believe that a customer may have changed his country of established residence from The Bahamas to a country outside The Bahamas, they should refer to The Central Bank of The Bahamas for guidance.

FACILITIES AVAILABLE

6. Persons, other than repatriates (see paragraph 11) who are, for all purposes of the Exchange Control Regulations 1956, treated as resident in The Bahamas and who intend to take up or have taken up established residence in a country outside The Bahamas may apply to be granted facilities set out in paragraph 7, 9, and 12 and to be treated as resident in their new country.

Application should be made on Form for Intending Emigrants but, where the total value of the assets exceeds B\$25,000, the certificates of title of all Bahamian dollar securities owned by the applicant or his dependents must be brought under the control of an Authorized Agent before the application can be considered.

TRANSFER OF BAHAMIAN DOLLAR ASSETS

7. Persons submitting applications in accordance with paragraph 6 will, upon their departure from The Bahamas or immediately if they have already left, be redesignated as non-resident and will normally be permitted to transfer from their Bahamian dollar assets up to B\$25,000 per family unit (i.e., husband, wife and accompanying children under the age of 21 years). Where the total value of the assets, excluding personal and household effects and automobiles, exceeds B\$25,000, the excess will normally be subjected to restrictions imposed by directions under Section 40 of the Exchange Control Regulations 1956.
8. Assets restricted under Section 40 of the Exchange Control Regulations 1956, may not be dealt with, except with the prior approval of The Central Bank of The Bahamas.
9. At the end of a four-year period after redesignation, application may be made to The Central Bank of The Bahamas by letter, indicating the assets concerned, for the removal of restrictions imposed under Section 40.
10. Restricted Bahamian dollar accounts are non-interest-bearing accounts. Application must be made to The Central Bank of The Bahamas for the remittance of income arising from other assets held which are subject to restriction.

REPATRIATES

11. Repatriates are persons who possess the nationality or citizenship of a country outside The Bahamas and who, having been resident in The Bahamas for Exchange Control purposes, leave then to take up established residence in a country outside The Bahamas. Such persons should also apply in writing. Restrictions under Section 40 will not normally be imposed on the Bahamian dollar assets unless The Central Bank of The Bahamas considers the circumstances of the particular case warrant such restrictions.

FOREIGN CURRENCY SECURITIES

12. All foreign currency securities held at the time of their redesignation by persons granted the facilities set out in the preceding paragraphs may be made freely available to them in their new country of residence. They may not, however, be sold for Bahamian dollars after redesignation. This is not,

and should not be construed as, a permission to sell the securities for Bahamian dollars before redesignation.

TRAVELLING EXPENSES

13. No special allowances of foreign currency for travel purposes will be made available in addition to facilities described in paragraphs 7 and 11. Fares may be paid in Bahamian dollars in The Bahamas without deduction being made from permitted transfers and, in addition, applicants will be permitted, upon application, to purchase foreign exchange to the extent that they have not already used their basic Travel Allowance for the current year.

EXPORT OF HOUSEHOLD AND PERSONAL EFFECTS AND MOTOR VEHICLES

14. Export will normally be allowed unless the value of any items seems unduly high in relation to other assets declared on a form.

VALIDITY OF FORM

15. Applicants who have not left The Bahamas should be warned that the approval of their application is valid only if they leave The Bahamas within one month of the date of authorization. Unless an extension is granted by The Central Bank of The Bahamas, the authorization will then lapse. In such cases, or where the application is withdrawn, any remittance made, or any foreign exchange provided, in advance of the applicant's departure must be reversed/surrendered and any goods exported must either be returned or sold abroad and the foreign currency proceeds repatriated and offered for sale to an Authorized Dealer at the current rate ruling the official foreign exchange market.

ASSETS RESTRICTED UNDER SECTION 40 OF THE REGULATIONS

16. The Central Bank of The Bahamas is willing to consider applications by the Authorized Dealers through whom facilities in paragraphs 7, 9 and 12 of this Notice are granted, for the release of restricted funds to make payments in The Bahamas provided that:
 - (a) The applicant does not thereby secure the benefit of his capital outside The Bahamas;
 - (b) The funds are to be used, for the purpose specified, solely by the applicant and/or members of his family unit as defined in paragraph 7.