



# Isle of Man Office of Fair Trading

## CONSULTATION ON THE PROPOSED NON-RESIDENT TRADERS (LICENCE FEES) REGULATIONS 2015



**Isle of Man**  
Government

*Reiltys Ellan Vannin*



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## INTRODUCTION

This consultation paper sets out proposed increases to the fees payable to the Isle of Man Office of Fair Trading (OFT) for the issuing of Non-Resident Traders licences. The fees shall be such amounts as are prescribed by regulations made under the Non-Resident Traders Act 1983. The revised fees will come into effect on 1<sup>st</sup> August 2015 if approved by Tynwald.

## BACKGROUND

Traders who reside off-Island but choose to do occasional business in the Isle of Man are considered to be non-resident traders for the purpose of the Non-Resident Traders Act 1983 ('the Act').

The Act requires any trader who is not resident in the Isle of Man and who intends to visit the Island in order to sell (or expose or offer for sale or seek orders for the sale of) any goods to members of the public to obtain a Non-Resident Traders licence from the OFT. No advertising is permitted until a licence has been granted.

For non-resident traders visiting the Island intending to sell (etc.) any goods which are not directly related to an event which has been certified by the Department of Economic Development as being of importance to the tourist industry, the current fee payable for the requisite licence is considerably higher than the cost to the OFT of processing a licence application. To quote a review of the Act conducted by the Board of Consumer Affairs (now the OFT) for the Council of Ministers in 1991, the fee is "***not intended to protect local traders from competition but against unfair competition in that a non-resident trader contributes nothing by way of taxes or rates to the Island's economy***". Thus the licence fees due under the Act should assist in the creation of a 'level playing field' for local traders.

A fee is charged for the licence depending on how long they are planning to do business in the Island. The current full fee is £2,220 for the first three days and £335 for each subsequent consecutive day.

A lower fee is charged if the trader is attending an event certified by the Department of Economic Development as being of importance to the tourist industry AND the goods are DIRECTLY RELATED to the event. The current fee is £450 for the duration of the event.

The fees were last increased in August 2013.

## PROPOSAL

A draft copy of the Non-Resident Traders (Licence Fees) Regulations 2015 can be found at [Appendix 1](#).

It is proposed that the fees be varied in line with the expected increase in the Isle of Man Retail Prices Index from the last revision in August 2013 up to July 2015, that being around 4%. This would represent a standstill position in terms of level of fee and income.

Licence fees for non-resident traders would therefore be increased: -

- for non-resident traders visiting the Island intending to sell or expose or offer for sale or seek orders for the sale of any goods which are NOT directly related to certified tourist events from £2,220 to £2,310 for the first 3 days for which the licence is valid and from £335 to £350 for each succeeding consecutive day; and
- for non-resident traders visiting the Island intending to sell or expose, or offer for sale or seek orders for the sale of any goods directly related to certified tourist events from £450 to £470 for the duration of the event concerned.

## CONSULTATION PROCESS

The OFT would welcome your views and any comments you wish to make on the content of the draft Non-Resident Traders (Licence Fees) Regulations 2015 as set out in [Appendix 1](#). In addition should you suggest any amendments, additions or deletions to the draft Non-Resident Traders (Licence Fees) Regulations 2015, please give reasons for your proposals.

Comments should be submitted in writing by post, fax or email no later than **5.00pm on Friday 15<sup>th</sup> May 2015 to:**

Sara McIntyre  
Legislation Executive  
Isle of Man Office of Fair Trading  
Government Building  
Lord Street  
Douglas  
Isle of Man  
IM1 1LE  
Tel: (01624) 686576  
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Additional copies of this document can be obtained from the OFT by telephoning (01624) 686576. Electronic copies of this document are also available at [www.gov.im/oft](http://www.gov.im/oft).

When submitting your views please indicate if you are responding on behalf of an organisation. A list of Direct Consultees can be found at [Appendix 2](#) of this document. If there is anyone not on the list who you think should be consulted please contact the officer named above.

To ensure that the process is open and honest and in line with the Government's Code of Conduct on Consultation, as attached at [Appendix 3](#), responses can only be accepted if you provide your name with your response.

Unless specifically requested otherwise, any responses received may be published either in part or in their entirety. **Please mark your response clearly if you wish your response and name to be kept confidential.** Confidential responses will be included in any statistical summary and numbers of comments received.

A summary of responses will be published within three months of the closing date for this consultation and will be made available on the OFT website ([www.gov.im/oft](http://www.gov.im/oft)) or by contacting the above named officer.

The purpose of consultation is not to be a referendum but an information, views and evidence gathering exercise from which to make an informed decision on the proposed Non-Resident Traders (Licence Fees) Regulations 2015. In any consultation exercise the responses received do not guarantee changes will be made to what has been proposed.

# APPENDIX 1

## DRAFT REGULATIONS

Statutory Document No. 2015/0120



*Non-Resident Traders Act 1983*

### NON-RESIDENT TRADERS (LICENCE FEES) REGULATIONS 2015

*Approved by Tynwald:*

*Coming into Operation:*

*1 August 2015*

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The Isle of Man Office of Fair Trading makes the following Regulations under section 5 and 8(1) of the Non-Resident Traders Act 1983, having carried out the consultations required by section 8(2) of that Act.

#### **1 Title**

These Regulations are the Non-Resident Traders (Licence Fees) Regulations 2015.

#### **2 Commencement**

If approved by Tynwald, these Regulations come into operation on 1 August 2015<sup>1</sup>.

#### **3 Licence Fee**

The fee for a licence under the Non-Resident Traders Act 1983 is –

- (a) £2310 for the first 3 days for which the licence is valid and £350 for each succeeding consecutive day it is valid; or
- (b) where a non-resident trader is providing goods directly connected with an event certified by the Department of Economic Development as being an event calculated to assist the tourist industry, £470 for the period for which the licence is valid.

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<sup>1</sup> Tynwald approval is required by section 8(3) of the Non-Resident Traders Act 1983.

#### **4 Revocation**

The Non-Resident Traders (Licence Fees) Regulations 2013<sup>2</sup> are revoked.

**MADE**

**D J QUIRK MHK**  
*Chairman, Isle of Man Office of Fair Trading*

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<sup>2</sup> SD 0071/2013

*EXPLANATORY NOTE*

*(This note is not part of the Regulations)*

These Regulations prescribe the fee payable for the issuing of a licence under section 1 of the Non-Resident Traders Act 1983.

## **APPENDIX 2**

### **LIST OF DIRECT CONSULTEES**

- **Tynwald Members**
- **Attorney General**
- **Local Authorities**
- **Chief Officers of Government Departments, Boards and Offices**
- **Isle of Man Chamber of Commerce**
- **Isle of Man Law Society**
- **Previous Regular Licence Holders**

## APPENDIX 3

### Code of Practice on Consultation

This consultation follows the Code of Practice on Consultation the criteria for which are set out below.

The Six Consultation Criteria:

- 1.** Consult widely throughout the process, allowing a minimum of six weeks for a minimum of one written consultation at least once during the development of the legislation or policy.
- 2.** Be clear about what your proposals are, who may be affected, what questions are being asked and the timescale for responses.
- 3.** Ensure your consultation is clear, concise and widely accessible.
- 4.** Give feedback regarding the responses received and how the consultation process influenced the policy.
- 5.** Monitor your Department's effectiveness at consultation.
- 6.** Ensure your consultation follows best practice, including carrying out an Impact Assessment if appropriate.

The full Code of Practice is available at [Isle of Man Government Code of Practice](#)

