

SIGNED this 7th day of April, 1986.

J. S. MOMOH,  
*President.*

LS

No. 3



1986

Sierra Leone

**The Sierra Leone Housing Corporation (Amendment) Short title.  
Act, 1986**

Being an Act to amend the Sierra Leone Housing Corporation Act,  
1982 (Act No. 5 of 1982)

[7th April, 1986] Date of commencement.

BE IT ENACTED by the President and members of Parliament in this present Parliament assembled, as follows:—

1. The Sierra Leone Housing Corporation Act, 1982 (Act No. 5 of 1982) is hereby amended by the substitution for paragraph (j) of section 12 thereof of the following new paragraph—  
Act No. 5 of 1982 amended.

“(j) establish and operate a home savings and loan scheme to promote savings and to encourage and facilitate wider home ownership by eligible persons and families”.

Insertion of new section 30A in principal Act.

2. The principal Act is hereby amended by the insertion immediately after section 30 thereof of a new section 30A as follows—

“Corporation to deposit with Bank of Sierra Leone certain amounts regarding its operations under section 12(j)

30A (1) Subject to any rules made by the Minister under subsection (2) of section 44 of this Act, any moneys for the time being held by the Corporation in respect of its operations under paragraph (j) of section 12 of this Act shall, in so far as such moneys are not immediately required for the purposes of its operations under the said paragraph (j), be deposited with the Bank of Sierra Leone.

(2) Any moneys required to be deposited by subsection (1) of this section with the Bank of Sierra Leone may be so deposited wholly in cash or wholly in approved securities or partly in cash and partly in approved securities so long as the total of the cash deposited or the face value of the approved securities so deposited or both, is not less than the total amount required to be deposited under subsection (1) of this section.

(3) The Corporation may, at any time replace any cash deposited by it under this section with the Bank of Sierra Leone with approved securities and may also replace any approved securities so deposited either with cash or other approved securities or partly with cash and partly with approved securities so long as the cash and the face value of the approved securities replaced do not in each case exceed the cash and the face value of the approved securities by which they are replaced.

(4) In this section “approved securities” means securities declared to be approved securities by rules made under subsection (2) of section 44 of this Act or securities approved by the Bank of Sierra Leone.

Section 43 of principal Act replaced.

3. For section 43 of the principal Act there is hereby substituted the following new sections—

“Exemption of interest re home savings and loan scheme from tax

43 (1) All interest paid or payable on deposits in the course of the operations of the Corporation under paragraph (j) of section 12 of this Act, being deposits of such amount as may be determined by the Minister, shall be exempt from income tax and surtax where payable.

(2) Any interest paid or payable to the Corporation by borrowers in respect of loans made to persons who have fulfilled the criteria prescribed under paragraph (b) of subsection (2) of section 44 of this Act shall be treated as an allowable deduction within the meaning of the Income Tax Act (Cap. 273) in arriving at the total assessable income under the said Act, of such borrowers; but in the case of persons whose only assessable income is from employment, the amount of such interest shall be deducted before the application of the appropriate rate of income tax and surtax where applicable.

(3) In this section "income tax" and "surtax" shall have the meanings assigned to them respectively in the Income Tax (Cap. 273) and the Surtax (Temporary Imposition) Act, 1968 (Act No. 14 of 1968).

44 (1) The Minister may make such rules as may be expedient for the better functioning of the Corporation and otherwise for carrying the provisions of this Act into effect. Minister to make rules

(2) Without prejudice to the general effect of subsection (1) of this section, the Minister shall, on the advice of the Governor of the Bank of Sierra Leone, make rules under this section generally for giving full effect to paragraph (j) of section 12 of this Act and in particular, but without prejudice to the generality of the foregoing, may make such rules—

- (a) prescribing the terms and conditions for opening and operating savings and time deposit accounts;
- (b) prescribing the criteria of eligibility for persons applying for loans;
- (c) fixing the maximum amount that may be granted as a loan;
- (d) prescribing the security to be provided by the applicant for a loan;
- (e) determining the rates of interest payable on deposits and on loans made to members of the public;
- (f) prescribing the liquidity ratio to be maintained by the Corporation;
- (g) prescribing the creation and maintenance of reserve funds and the objects to which such funds may be applied;

- (h) directing the manner in which any funds under the control of the Corporation which originate from deposits made by persons in the course of the operations of the Corporation under the said paragraph (j) of section 12 shall be invested;
- (i) prescribing the reports, statements and other information required to be submitted by the Corporation to the Minister, the Minister responsible for Finance, or the Bank of Sierra Leone or other public authority for the purposes of ensuring due compliance by the Corporation with the provisions of this Act and rules made thereunder;
- (j) requiring the keeping by the Corporation of separate accounts in respect of the operations of the Corporation under the said paragraph (j) of section 12 of this Act and directing that the funds in that account shall not for any particular purpose form part of the funds of the Corporation in respect of the operations of the Corporation under the provisions of this Act other than the said paragraph (j) of section 12;
- (k) requiring the publication of the audited balance sheet showing the assets and liabilities of the Corporation in respect of its operations under the said paragraph (j) of section 12;
- (l) requiring the examination of the Corporation from time to time by examiners appointed by the Bank of Sierra Leone so as to determine the financial condition of the Corporation so far as its operations under the said paragraph (j) of section 12 are concerned and to ascertain whether the provisions of this Act and rules made thereunder are being complied with; and
- (m) requiring the production by the Corporation to such examiners as are referred to under paragraph (l) of this subsection of any books, documents and other information whether written or oral as may be necessary for the purpose of the examination being conducted by the said examiners.

(3) The Minister may in any rule made under this section prescribe for the contravention of any such rule, a penalty not exceeding five hundred Leones or a term of imprisonment not exceeding three months or both such fine and imprisonment; and may also prescribe in the case of a continuing offence, an additional penalty not exceeding a fine of fifty leones for each day on which the offence continues.

Banking Act, 1970 dis-  
applied to Cor-  
poration

45. The Banking Act, 1970 (Act No. 11 of 1970) shall not apply to the Corporation".

Passed in Parliament this 19th day of March, in year of our Lord one thousand nine hundred and eighty-six.

H. M. JAMES,  
*Clerk of Parliament*

THIS PRINTED IMPRESSION has been carefully compared by me with the Bill which has passed Parliament and found by me to be a true and correctly printed copy of the said Bill.

H. M. JAMES,  
*Clerk of Parliament.*