



Isle of Man

Ellan Vannin

AT 9 of 2016

**PREFERENTIAL PAYMENTS
(AMENDMENT) ACT 2016**



Isle of Man

Ellan Vannin

PREFERENTIAL PAYMENTS (AMENDMENT) ACT 2016

<i>Signed in Tynwald:</i>	21 June 2016
<i>Received Royal Assent:</i>	21 June 2016
<i>Announced to Tynwald:</i>	21 June 2016

AN ACT to amend the Preferential Payments Act 1908 so as to provide that amounts owing by debtors in respect of certain deposits are preferential debts for the purposes of that Act; and for connected purposes.

BE IT ENACTED by the Queen’s Most Excellent Majesty, by and with the advice and consent of the Council and Keys in Tynwald assembled, and by the authority of the same, as follows:—

PART 1 – INTRODUCTORY

1 Short title

The short title of this Act is the Preferential Payments (Amendment) Act 2016.

2 Amendment of the Preferential Payments Act 1908

- (1) The *Preferential Payments Act 1908* is amended as follows.
- (2) In section 3 (order of payment when priorities to be ascertained), before paragraph (a) of subsection (1) insert —
 - (aa) so much of any amount owed at the relevant date by the debtor in respect of an “eligible protected deposit” within the meaning given by regulation 3(2) of the *Depositors’ Compensation Scheme Regulations 2010*¹ or in regulations made under section 25 of the *Financial Services Act 2008* which amend or replace those Regulations (“the

¹ SD 683/10 (as amended)

Depositors' Compensation Scheme) as does not exceed the compensation that would be payable in respect of the deposit under the Depositors' Compensation Scheme to the person or persons to whom the amount is owed; **22**.

(3) After section 3 insert —

23 3A Power to amend

- (1) The Treasury may by order amend paragraph (aa) of section 3(1) so as to add to, vary or reduce the types of debts which are to be paid in priority to other debts.
- (2) Without limiting the scope of subsection (1), an order under subsection (1) may make provision in respect of amounts owing in circumstances where compensation has been paid (or is to be paid) under a foreign scheme which is equivalent, analogous or similar to the Depositors' Compensation Scheme mentioned in paragraph (aa) of section 3(1).
- (3) An order under subsection (1) may contain consequential, incidental, supplementary and transitional provisions which the Treasury considers to be necessary or expedient.
- (4) The power conferred by subsection (3) includes the power to modify, adapt or amend any provision of this Act or any other enactment.
- (5) An order under subsection (1) must not come into operation unless it is approved by Tynwald. **24**.

3 Expiry

- (1) This Act expires
on the day following its promulgation.
- (2) The expiry does not —
 - (a) affect the continuing operation of the amendments made by this Act; or
 - (b) revive any provision not in operation when the amendments took effect.

Published by Authority