

The Income Tax (Amendment) Bill 1999 1999

(NAME OF BILL)

CONTENTS: Bill
Objects and Reasons
Notice of Presentation
Covering letter from Minister to Clerk to Parliament
(Authorisation from Minister of Finance under s.60 of Constitution)

FROM: Attorney General's Chambers

Wey
19/11/99

TO: Minister
(for signing Objects & Reasons, Notice of Presentation and covering letter to Clerk)

TO: Minister of Finance
(for signing of letter to Clerk signifying Cabinet approval under s.60 of Constitution)

Amirtha 19/11/99

TO: Clerk to National Parliament
(for certificate by Speaker)

Wey 22/11

TO: Attorney General's Chambers
(for printing)

TO: Clerk to National Parliament
(for reference during 1st, 2nd and 3rd Readings)
(Date passed.....22/12/99 Act No. 14/99..)

TO: Attorney General's Chambers
(for checking before Assent)

Wey
2/12

TO: Governor-General
(for Assent)

Alaphi 10/12/99

TO: Clerk to National Parliament
(for distribution:
1 copy Attorney General's Chambers
1 copy Ministry
1 copy Parliament Office
1 copy Registrar of the High Court



**THE INCOME TAX
(AMENDMENT) ACT 1999**

(No. 14 OF 1999)



**THE INCOME TAX
(AMENDMENT) ACT 1999**

(No. 14 OF 1999)

Passed by the National Parliament this second day of December 1999.

This printed impression has been carefully compared by me with the Bill passed by Parliament and found by me to be a true and correct copy of the said Bill.

Elizabeth Andresen
Elizabeth Andresen
Clerk to National Parliament

Assented to in Her Majesty's name and on Her Majesty's behalf this tenth day of December 1999.

John Ini Lapli
Rev. John Ini Lapli
Governor-General

Date of commencement: see section 1.

AN ACT TO AMEND THE INCOME TAX ACT.

ENACTED by the National Parliament of Solomon Islands.

THE INCOME TAX (AMENDMENT) ACT 1999**ARRANGEMENT OF SECTIONS**

SECTION:

1. Short title and commencement
2. Amendment of section 18 of Cap. 123.
3. Amendment of section 19.
4. Amendment of section 28.
5. Amendment of section 29.
6. Repeal of sections 30 and 31.
7. Amendment of section 33.
8. Amendment of section 48.
9. Insertion of new section 48A.
10. Amendment of section 84.
11. Amendment of Fifth Schedule.

1. This Act may be cited as the Income Tax (Amendment) Act, 1999, and shall come into operation on such date as the Minister may appoint by Notice published in the Gazette.

Short title and commencement.

2. Section 18 of the Income Tax Act (as amended by Acts Nos. 12 and 13 of 1996) (hereinafter referred to as the 'principal Act') is hereby further amended in the following respects -

Amendment of section 18 of Cap. 123.

(a) in subsection (2) by deleting paragraphs (j) and (l); and

(b) by deleting subsection (2A) and substituting therefor the following new subsection -

“(2A) Notwithstanding the provisions of subsection (1), the expenditure incurred in respect of interest, royalty and management fees shall only be deductible where -

(a) withholding tax has been deducted and paid in respect of such income;

(b) such income is exempted under the terms of a Double Taxation Treaty; or

(c) such income is otherwise exempted or withholding tax is not deductible therefrom.”

3. Section 19 of the principal Act (as amended by Act No. 2 of 1998) is hereby further amended in the following respects -

Amendment of section 19.

(a) in subsection (2) by inserting at the end of the proviso to that subsection the following words -

“ except to the extent that such losses arise from expenditure to which section 18(6) applies”; and

(b) by inserting immediately after subsection (2) the following new subsection as subsection (2A) -

“(2A) Where any loss is incurred outside

Amendment of section 28.

4. Subsection (1) of section 28 of the principal Act is hereby amended by deleting the words "such personal exemptions and of such amounts as are specified in this Part" and substituting therefor the words "a personal exemption of seven thousand eight hundred dollars."

Amendment of section 29.

5. Section 29 of the principal Act is hereby amended by deleting the words "five thousand one hundred dollars" and substituting therefor the words "seven thousand eight hundred dollars".

Repeal of sections 30 and 31.

6. Sections 30 and 31 of the principal Act are hereby repealed.

Amendment of section 33.

7. Section 33 of the principal Act is hereby amended in the following respects -

(a) in subsection (1) by deleting the words "thirty-five" and substituting therefor the word "thirty"; and

(b) in subsection (2) by deleting the words "fifty cents" and substituting therefor the words "thirty-five cents".

Amendment of section 48.

8. Section 48 of the principal Act is hereby amended in the following respects -

(a) in subsection (1) by deleting the words "five thousand one hundred dollars," and substituting therefor the words "seven thousand eight hundred dollars," and

(b) by inserting immediately after subsection (1) the following new subsection as subsection (1A) -

" (1A) Where the income of a

9. The principal Act is hereby amended by inserting immediately after section 48 the following new section as section 48A -

Insertion of new section 48A.

“Dependent child’s income. 48A. The income of a dependent child, from employment or services rendered to a parent or business or company owned, operated or controlled by the parent, shall be deemed to be income of the child’s parent for the purpose of ascertaining the parent’s income, and shall be assessed, and the tax thereon charged, on the parent.”.

10. Section 84 of the principal Act is hereby amended by inserting the following new subsection as subsection (1A) -


Amendment of section 84.

“(1A) To the extent that any tax and any penalty charged under subsection (1) remain outstanding six months after the due date, a further amount equivalent to ten *per centum* of the tax and of the penalty so outstanding shall become payable by way of an additional penalty, and to the extent that such amounts (including any penalty chargeable under this subsection) continue to remain outstanding at six months intervals from that date, further amounts as additional penalty, equivalent to ten *per centum* of those outstanding amounts shall be chargeable and payable:

Provided, however, that for the purposes of this subsection where an amount payable pursuant to subsection (1) remains outstanding on the date of commencement of this subsection, the due date shall be deemed to be the first day of April 2000.”

11. The Fifth Schedule to the principal Act is hereby amended by deleting the words “\$0.47” and substituting therefor

Amendment of the Fifth Schedule



Honiara, Solomon Islands
Printed under the authority of the
Solomon Islands Government

Published by Solomon Islands Printers Ltd.