

THE REPUBLIC OF KIRIBATI
(No. 20 of 1996)

I assent,

Beretitenti
Assented: 21st November 1996

AN ACT TO AMEND THE INCOME TAX ACT (1990)

MADE by the Maneaba ni Maungatabu and Assented to by the Beretitenti.

Short Title

1. This Act may be cited as the Income Tax (Amendment) Act 1996.

Amendment of Section 3

2. Section 3 of the Income Tax Act 1990 (hereinafter referred to as the Principal Act) is hereby amended by inserting between the definition of “relative” and the definition of “resident”, the following new definition:-

“religious and charitable organizations” means those organizations not involved with the activities having business character.

Section 101(2)(b)

3. Section 101(2)(b) of the Principal Act is hereby amended by deleting “6 months” appearing immediately after the word “within” and before the word “of”, and substitute it with “60 days”

Amendment of Section 101(6)

4. Section 101(6) of the Principal Act is amended by –
 - (i) deleting “60 days” appearing in Section 101(6)(b) immediately after the word “within” and before the word “of” and substitute it with “30 days”
 - (ii) deleting “1 year” appearing in the paragraph immediately following Section 101(6)(b) and after the word “within” but before the word “of” and substitute it with “90 days”.

Amendment of Section 103(4)

5. The Principal Act is amended at Section 103(4) by deleting the words “one member” appearing at the end of this subsection and substitute it with the words “three members”.

INCOME TAX (AMENDMENT) ACT 1996

EXPLANATORY MEMORANDUM

This Act seeks to amend the Income Tax Act (1990) (“the Act”) as recommended by the Tax Division of the Ministry of Finance and Economic Planning and approved by the Government.

The details of such proposed changes to the Act as contained in this Act are as follows:-

Amendment of Section 3 – interpretation (section 3)

1. The amendment is to insert a definition of the “religious and charitable organisations” to mean those organisations, not involved with activities having business character. That is, those organisations not involved in any trade, profession or vocation and any isolated transactions with a business character. Such organisations enjoy certain benefits and privileges under the principal Act.

Amendment of Section 101(2)(b)

2. This amendment reduces the period for which the taxpayer may by notice dispute an assessment of his tax. The deduction is from 6 months to 60 days.

Amendment of Section 101(6)

3. (i) Section 101(6)(b) provides that where a taxpayer does not agree with the Revenue’s Board’s assessment of his tax, within 60 days of the lodging of the notice of appeal, he can proceed to appeal to the Tax Tribunal. The amendment reduces that 60 days to 30 days.

(ii) The amendment to the paragraph immediately following Section 101(6)(b) reduce the period for which a taxpayer may lodge with the Tax Tribunal his notice of appeal, having disagreed with the Board as to the amendment the assessment, The reduction is from 1 year to 90 days.

Amendment of Section 103(4)

4. The amendment is for the increase of the size of the Members of the Tax Tribunal hearing appeal on tax assessment, from one member to three members.

Michael Neaua Takabwe
The Attorney General