

ANTIGUA AND BARBUDA



THE INCOME TAX (AMENDMENT) ACT, 2008

No. 3 of 2008

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The Income Tax (Amendment) Act, 2008.

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THE INCOME TAX (AMENDMENT) ACT, 2008

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No. 3 of 2008.



I Assent,

[L.S.]

Louise Lake-Tack,
Governor-General.

11th November, 2008

ANTIGUA AND BARBUDA

THE INCOME TAX (AMENDMENT) ACT, 2008

No. 3 of 2008

AN ACT to amend the Income Tax Act, Cap.212.

ENACTED by the Parliament of Antigua and Barbuda as follows:

1. Short title

This Act may be cited as the Income Tax (Amendment) Act, 2008.

2. Interpretation

In this Act, “principal Act” means the Income Tax Act, Cap. 212.

3. Insertion of section15A

(1) The principal Act is amended by inserting the following section after section 15:

“15A. Deduction for cultural or social contribution

(1) For the purpose of ascertaining the chargeable income of any person who meets the criteria set out in this section in an assessment year, that person may deduct from that person’s assessable income

from a trade, business or profession for that assessment year an amount equal to one-half of all substantial contributions made by the person in respect of sport, education or culture in Antigua and Barbuda.

(2) The criteria referred to in subsection (1) are:

- (a) the person must have made, during the assessment year, a contribution of no less than \$10,000.00 to the development of sport, education or culture in Antigua and Barbuda;
- (b) the Permanent Secretary of one or more of the Ministries responsible for Sports, Education and Culture has certified that the contribution made by the person does in fact contribute to sport, education or culture in Antigua and Barbuda; and
- (c) the person must have paid all amounts in respect of the assessment year with respect to withholdings and amounts owing under this Act, the Personal Income Tax Act, 2005, (No. 1 of 2005), the Antigua and Barbuda Sales Tax Act, 2006 (No.5 of 2006) and any other requirements with respect to any of the person's employees.

(3) The maximum amount of a deduction under this section is \$250,000.00 for an assessment year.”

4. Replacement of section 32

Section 32 of the principal Act is repealed and substituted with the following:

“32. Rates of tax on income of companies and certain financial institutions

(1) Except to the extent provided in subsections (2) and (3), the tax on the chargeable income of a company shall,

- (a) for each income year in the period commencing on the 1st April 2005 and ending on the 31st December 2007, be charged at the rate of thirty percent per dollar of the chargeable income; and
- (b) for the period commencing on the 1st January 2008 and ending on the 31st December 2008, and for subsequent income years, be charged at the rate of twenty-five percent per dollar of the chargeable income.

(2) In respect of each income year in the period commencing on the 1st January 2005 and ending on 31st December 2007, the tax on the chargeable income of a financial institution licensed under the Banking Act that maintains, throughout that year, its commercial lending rates at or below ten percent and its residential mortgage rates at or below eight percent shall be charged at the rate of twenty-seven and a half percent per dollar of the chargeable income.

(3) In respect of the income year commencing on the 1st January 2008 and each subsequent income year, the tax on the chargeable income of a financial institution licensed under the Banking Act shall be charged at the rate of twenty-two and a half percent of the chargeable income if

- (a) the institution maintains, throughout that year, its residential mortgage rates at or below seven percent; or
- (b) offers to small businesses within the meaning of the Small Business Development Act, 2007, (No. 24 of 2007) loans
 - (i) at a lending rate at least one and a half a percentage points below the prime lending rate otherwise fixed for that financial institution,
 - (ii) for which the security requirements are substantially less restrictive than those otherwise required by that financial institution, or
 - (iii) loans in respect of which other special concessions, within the meaning of the regulations, are provided.”

5. Repeal of section 37A

Section 37A of the principal Act is repealed.

Passed by the House of Representatives on the 7th day of July, 2008.

Passed by the Senate on the 21st day of August, 2008.

D. Gisele Isaac-Arrindell,
Speaker.

Hazlyn M. Francis,
President.

L. Thomas,
Acting Clerk to the House of Representatives.

L. Thomas,
Acting Clerk to the Senate.