

No. 19 of 2013.

Income Tax (2014 Budget)(Amendment) Act 2013.

Certified on: 04/02/14



No. of 2013.

Income Tax (2014 Budget)(Amendment) Act 2013.

ARRANGEMENT OF SECTIONS.

1. Officers to Observe Secrecy (Amendment to Section 9).
2. Exemption of Charitable Bodies (Amendment of Section 25A).
3. Expenditure on Scientific Research (Amendment of Section 95).
4. Credits in respect of prescribed Infrastructure Developments (Amendment to Section 219C).
5. Interpretation (Amendment of Section 354K).
6. Duty to obtain Compliance Certificate (Amendment of Section 354M).
7. Duty of a Paying Authority (Amendment of Section 354N).
8. Cancellation of Paying Authority Registration (Amendment of Section 354R).



An Act

entitled

Income Tax (2014 Budget)(Amendment) Act 2013,

Being an Act to amend the *Income Tax Act 1959*,

MADE by the National Parliament and deemed to come into operation on 1st January 2014.

1. OFFICERS TO OBSERVE SECRECY (AMENDMENT TO SECTION 9).

Section 9 of the Principal Act is amended -

- (a) in Subsection (4) by repealing the last word “and” from Paragraph (i); and
- (b) by repealing “.” from the end of Paragraph (j) and replacing it with the following “; and”; and
- (c) in Subsection (4) by inserting after Paragraph (j), the following new Subparagraph (k):

“(k) the Chief Collector of Taxes of Autonomous Region of Bougainville or his delegate.”.

2. EXEMPTION OF CHARITABLE BODIES (AMENDMENT OF SECTION 25A).

Section 25A of the Principal Act is amended -

- (a) in Subsection (5) by inserting after the words “for a period of” the words “up to”; and
- (b) by adding the following new subsection:

“(8) Where the Commissioner General has reasonable belief that an approved charitable body or institution has not complied with any one of the conditions under Subsection (1) and Subsection (3), then the Commissioner General may review and revoke the charitable status of that approved charitable body or institution at any time during the period of exemption.”.

3. EXPENDITURE ON SCIENTIFIC RESEARCH (AMENDMENT OF SECTION 95).

Section 95 of the Principal Act is amended by inserting after Subsection (11) the following new Subsection (12):

“(12) The increased deduction provided under Subsections (9) and (10) shall cease to apply as of 1 January 2014 but the provisions shall continue to apply to expenditure on scientific research incurred prior to that date.”.

Income Tax (2014 Budget)(Amendment)

4. CREDITS IN RESPECT OF PRESCRIBED INFRASTRUCTURE DEVELOPMENTS (AMENDMENT TO SECTION 219C).

Section 219C of the Principal Act is amended -

- (a) in Subsection (1) by repealing the definition of “approved national infrastructure project” and replacing it with the following new definition:

“approved national infrastructure project” means any infrastructure project of national importance as approved by the National Executive Council prior to 19 November 2013;” and

- (b) by repealing Subsections (5A), (5B) and (5C) and replacing them with the following new Subsection (5A):

“(5A) Where an eligible taxpayer would have been, on 1 January 2014, entitled to expend additional amounts under an approved national infrastructure project under the provisions of this section as they were in force prior to that date, those provisions shall continue to apply to such eligible taxpayer;” and

- (c) in Subsection (8) by repealing the figure “7” and replacing it with the figure “6”.

5. INTERPRETATION (AMENDMENT OF SECTION 354K).

Section 354K of the Principal Act is amended in the definition of “certificate of compliance” by repealing the figure “298” and replacing it with the figure “289”.

6. DUTY TO OBTAIN COMPLIANCE CERTIFICATE (AMENDMENT OF SECTION 354M).

Section 354M of the Principal Act is amended in Subsection 354M(1) Paragraph (a) by repealing the amount “K500.00” and replacing it “K5,000.00”.

7. DUTY OF A PAYING AUTHORITY (AMENDMENT OF SECTION 354N).

Section 354N of the Principal Act is amended -

- (a) in Subsection 354N(1) by repealing the amount “K500.00” and replacing it with “K5,000.00”; and

- (b) in Subsection 354N(3) -

- (i) by repealing “K500.00 or more, or in relation to one payee eligible payments for several contracts and the total amount paid exceeds K3,000.00” as it appears first in that provision and replacing it with the following:

“K5,000.00 or more”; and

- (ii) by repealing the amount “K500.00” as it appears in Paragraph (v) of that provision and replacing it with the following amount:

“K5,000.00”; and

Income Tax (2014 Budget)(Amendment)

- (c) in Subsection 354N(8) by repealing “K500.00 in relation to any one contract and that the total amounts paid to any one payee did not exceed K3,000.00 in that year”, and replacing in their stead with “K5,000.00 in relation to any one contract”.

8. CANCELLATION OF PAYING AUTHORITY REGISTRATION (AMENDMENT OF SECTION 354R).

Section 354R of the Principal Act is amended in Subsection (1) Paragraph (b) by repealing the word “othe” and replacing it with the word “other”.

I hereby certify that the above is a fair print of the *Income Tax (2014 Budget)(Amendment) Act 2013*, which has been made by the National Parliament.

Clerk of the National Parliament.

I hereby certify that the *Income Tax (2014 Budget)(Amendment) Act 2013*, was made by the National Parliament on 26 November 2013.

Speaker of the National Parliament.