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#### An Act to—

- (a) provide that the option to apply for relief from additional tax, as provided in the Value Added Tax Amendment Act 2017, ends on 31 March 2018; and
- (b) provide relief from liability to pay value added tax in respect of periods ending before 1 January 2010; and
- (c) make 2 minor amendments to the Value Added Tax Act 1997.

(27 February 2018)

#### The Parliament of the Cook Islands enacts as follows—

- 1 Title**  
This Act is the Value Added Tax Amendment Act 2018.
- 2 Commencement**  
This Act comes into force on the day after the date on which it receives the assent of the Queen's Representative.
- 3 Principal Act amended**  
This Act amends the Value Added Tax Act 1997.
- 4 Section 21 amended**  
Section 21 is amended by repealing subsection (6) and substituting the following:

“(6) Where VAT calculated in a return is altered by the Collector, and the alteration results in further VAT to pay after the date for payment for the tax, the Collector may fix a new date for the payment of the tax, but only if the Collector is satisfied that the person liable to pay the tax has not been guilty of wilful neglect or default in making the return necessary to make the amended assessment.”

**5 Section 32A amended**

Section 32A (as inserted by section 5 of the Value Added Tax Amendment Act 2017) is amended by inserting “on or before 31 March 2018” after “on application for relief made in writing”.

**6 New section 32C inserted**

The following section is inserted after section 32B:

**“32C Relief from obligation to pay VAT for periods before 2010**

“(1) Despite anything in this Act, a registered person who, at any time before this section comes into force, has not made a return under section 15 in respect of any period ending before 1 January 2010,—

“(a) is not obliged to make any return required by this Act in relation any period ending before 1 January 2010; and

“(b) is not obliged to pay any tax payable under this Act with respect to goods or services supplied before 1 January 2010.

“(2) If, as a result of an application under section 32A, a registered person has paid, or made an arrangement to pay, an amount of tax payable under this Act in respect of any period ending before 1 January 2010, the Collector must refund the registered person the amount paid, or adjust any arrangement to pay tax so that amount will not be paid.

“(3) Any tax paid under this Act by a registered person before this section comes into force in respect of any period ending before 1 August 2017 in respect of any period ending before 1 January 2010 is not refundable to the person and cannot be set off against any future liability to pay tax.”

**7 Schedule 2 amended**

Schedule 2, clause (5)(a) is amended by omitting “\$65” and substituting “\$100”.

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This Act is administered by the Revenue Management Division  
of the Ministry of Finance and Economic Management.

Printed under the authority of the Cook Islands Parliament—2018.

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