



## ANALYSIS

Title	
1. Short Title	3. Assessable income
2. Income wholly exempt from taxation	4. Withholding tax
	5. Statute of limitation

1991, No. 30

An Act to amend the Income Tax Act 1972

(18 December 1991)

BE IT ENACTED by the Parliament of the Cook Islands in Session assembled, and by the authority of the same as follows:

1. Short Title - (1) This Act may be cited as the Income Tax Amendment Act 1991 and shall be read together with and deemed part of the Income Tax Act 1972 (hereinafter referred to as "the principal Act").

2. Income wholly exempt from taxation - Paragraph 48(1)(v) of the principal Act is revoked and the following new paragraph is substituted thereto:

"(v) income derived directly from a foreign source of funds given or extended in the context of international foreign aid to any employer resident outside the Cook Islands (including any government), by any person, who is not ordinarily resident in the Cook Islands, employed by any such employer pursuant to any agreement or agreements between the Cook Islands Government and the employer or donor in connection with any development project in the Cook Islands or the provision of specialised services to any public authority within the meaning of this Act. In the case of any such agreement or agreements, the Minister shall supply to the Collector a certificate in respect of each such agreement or agreements."

3. Assessable income - Paragraph 50(1)(f) of the principal Act is revoked and replaced by the following paragraph:

"(f) All payments for the supply, in connection with the carrying on of a business, of scientific, technical, industrial, or commercial knowledge, information, assistance, or services."

4. Withholding tax - (1) Subsection 104(2) of the principal Act is amended by deleting the word "or" immediately after the word "dividends" and substituting thereto the word "and".

(2) Subsection 104(2) is further amended by inserting a comma immediately after the word "interest".

(3) Subsection 104(2) is further amended by adding immediately after the word "paid" the words "to a non-resident of the Cook Islands,".

5. Statute of Limitation - The principal Act is amended by adding thereto the following new section:

"213A. Statute of limitation - No statute of limitation shall bar or affect any action or remedy for the recovery of tax."

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This Act is administered by the Inland Revenue Department