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**Schedule**  
**Schedules 1, 2, and 2A substituted**

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**An Act to amend the Income Tax Act 1997—**

(17 December 2013)

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

**1 Title**

This Act is the Income Tax Amendment Act 2013.

**2 Commencement**

- (1) This Act, except section 22(2), comes into force on 1 January 2014.
- (2) Section 22(2) comes into force on 1 January 2015.
- (3) Section 7 comes into force on 1 March 2014.

**3 Principal Act amended**

This Act amends the Income Tax Act 1997 (the **principal Act**).

**4 Application**

- (1) This Act, other than section 22(2) applies to each income year commencing on or after 1 January 2014.
- (2) Section 22(2) applies to each income year commencing on or after 1 January 2015.

**5 Section 2 amended**

- (1) Section 2 is amended by repealing the definition of **minerals** and substituting the following definition:

“**mineral** has the meaning given by section 7(1) of the Seabed Minerals Act”.

- (2) Section 2 is amended by inserting the following definitions in their appropriate alphabetical order:

“**arm’s length transaction** means a transaction between independent persons dealing with each other at arm’s length

“**Cook Islands**, when referring to a geographic area,—

“(a) has the meaning given by Article 1 of the Constitution of the Cook Islands; and

“(b) includes the territorial sea and exclusive economic zone of the Cook Islands as those terms are defined in sections 3 and 8 of the Territorial Sea and Exclusive Economic Zone Act 1977

“**entity** means—

“(a) a government (whether state, regional, or local); and

“(b) a company, partnership, trust, or similar body or association

“**immovable property** includes a title, mining information, and prospecting information

**“mining information** has the meaning given by section 143A

**“natural resource amount** means—

- “(a) an amount (including a premium or like amount) as consideration for the right to take minerals or a living or non-living resource from land or sea; or
- “(b) an amount calculated in whole or part by reference to the quantity or value of minerals or a living or non-living resource taken from land or sea

**“permanent establishment** means a fixed place of business through which the business of a person is wholly or partly carried on, and includes the following:

- “(a) a place of management, branch, office, factory, warehouse, or workshop other than a liaison office (being an office that has representation of a person’s business as its sole activity); and
- “(b) a mine site, oil or gas well, quarry, or other place of exploration for, or extraction of, natural resources, including a boat or ship that provides a base for the exploration or extraction of natural resources; and
- “(c) a building site, or a construction, assembly or installation project, or supervisory activities connected with such a site or project, but only if the site, project, or activities continue for more than 6 months; and
- “(d) the furnishing of services by the person, including consultancy services, through employees or other personnel engaged by the person for such a purpose, but only if activities of that nature continue for the same or a connected project for a period or periods aggregating more than 6 months in any 12-month period; and
- “(e) a person (other than an agent of independent status) acting on behalf of another person (the **principal**), if the first-mentioned person—
  - “(i) has and habitually exercises an authority to conclude contracts on behalf of the principal; or
  - “(ii) habitually maintains a stock of goods from which the person regularly delivers goods on behalf of the principal

**“prospecting information** has the meaning given by section 143A

**“Seabed Minerals Act** means the Seabed Minerals Act 2009

**“title** has the meaning given by section 7(1) of the Seabed Minerals Act

**“underlying ownership**, in relation to an entity, means an interest in the entity held directly, or indirectly through an interposed entity or entities, by an individual or by an entity not ultimately owned by individuals”.

## 6 Section 11 amended

- (1) Section 11(2) is amended by omitting “and the whole of the income derived from the business or jointly shall be deemed to be that of the husband”.
- (2) Section 11 is amended by adding the following subsections:

- “(3) Instead, the income derived from the business or jointly must be apportioned according to the amount in fact earned by each party.
- “(4) If a husband and wife carrying on business together or deriving income jointly do not apportion the income in accordance with subsection (3), or the Collector considers that the apportionment is not appropriate, the Collector may, in his or her complete discretion, apportion the income between the husband and wife in any manner that he or she thinks fit, having regard to all the circumstances of the business or joint enterprise concerned.”

**7 Section 42 amended**

Section 42(1)(p) is amended by inserting “, except income derived under section 40 of that Act (and commonly known as an old age pension)” after “1989”.

**8 Section 43 repealed**

Section 43 is repealed.

**9 Section 44 substituted**

Section 44 is repealed and the following section substituted:

**“44 Standard deduction for individuals**

- “(1) In calculating the taxable income for any income year of a person who is a natural person (not merely acting as a trustee), a deduction must be allowed, in addition to any other deduction allowed under this Act, as follows:
- “(a) for a person who is resident in the Cook Islands, a deduction of—
- “(i) the person’s taxable income for that year; or
- “(ii) \$11,000 of the person’s taxable income if the person’s taxable income for that year is more than \$11,000;
- “(b) for a person who is not a resident in the Cook Islands, a deduction of the amount calculated as follows:

$$a \times \frac{b}{365}$$

where—

- a** is the person’s taxable income for that year, or \$11,000 of the person’s taxable income if the person’s taxable income for that year is more than \$11,000
- b** is the number of days the person is present in the Cook Islands during that year:
- “(c) for a person who permanently leaves or permanently arrives in the Cook Islands, a deduction of the amount calculated in accordance with the formula set out in paragraph (b).
- “(2) In this section, **taxable income**, in relation to a person, does not include:

- “(a) a dividend received by the person from any company where the company has elected to deduct the dividend under section 59(k);
- “(b) income derived by the person as a beneficiary under a trust.”

**10 Section 46 amended**

Section 46(1)(e) is amended by inserting “, including income derived from renting, otherwise issuing, or exhibiting or causing to be exhibited films or trailers of films” after “any property”.

**11 New section 56A inserted**

The following section is inserted after section 56:

**“56A Transfer pricing**

- “(1) Subject to subsection (2), the Collector may, in respect of any transaction that is not an arm’s length transaction, distribute, apportion, or allocate income, gain, deductions, or tax credits between the parties to the transaction as is necessary to reflect the tax position that would have been realised in an arm’s length transaction.
- “(2) If a party to a transaction to which subsection (1) applies is located in, and subject to tax in, the Cook Islands, and another party to the transaction is located outside the Cook Islands, any distribution, apportionment, or allocation of income, gain, deductions, or tax credits must be made in accordance with regulations made under this Act.
- “(3) The allocation of income and deductions to a permanent establishment in the Cook Islands of a non-resident person or a permanent establishment outside the Cook Islands of a resident person must be made in accordance with regulations made under this Act.”

**12 Section 57 amended**

Section 57 is amended by adding the following subsections as subsections (2) and (3):

- “(2) Subsection (3) applies if a taxpayer is required to deduct tax from a payment under Part VII or IX (the **payment**) and the taxpayer is allowed a deduction under this Act from the total income derived by the taxpayer for making the payment.
- “(3) The deduction by the taxpayer must not be made, and is not allowable as a deduction, until the payment has been paid to the Collector.”

**13 New section 71A inserted**

(1) The following section is inserted after section 71:

**“71A Thin capitalisation**

- “(1) Subject to subsection (2), if a foreign-controlled resident company, other than a bank, has a debt-to-equity ratio in excess of 1.5 to 1 at any time during an income year, a deduction is disallowed for the interest paid by the company during that year on that part of the debt that exceeds the 1.5 to 1 ratio for the period when the ratio was exceeded.
- “(2) If the debt-to-equity ratio of a foreign-controlled resident company exceeds 1.5 to 1 for an income year, subsection (1) does not apply if, at all times, during the year, the amount of the debt of the company does not exceed the arm’s length debt amount.

- “(3) In this section,—
- “**arm’s length debt amount**, in relation to a foreign-controlled resident company, means the amount of debt that a bank that is not an associate of the company would be prepared to lend to the company having regard to all the circumstances of the company
- “**debt**, in relation to a foreign-controlled resident company, means the greatest amount, at any time during an income year, of the debt obligations of the company on which interest is payable as determined according to International Financial Reporting Standards
- “**debt obligation** means an obligation to make a repayment of money to another person, including an obligation arising under a promissory note, bill of exchange, or bond, but not including accounts payable or an obligation to make a repayment of money in respect of which no interest is payable
- “**equity**, in relation to a foreign-controlled resident company, means the greatest amount, at any time during an income year, of the equity of the company as determined according to International Financial Reporting Standards and includes an obligation to make a repayment of money in respect of which no interest is payable
- “**foreign-controlled resident company** means a resident company in which 50% or more of the shares in the company are held, directly or indirectly, by a non-resident company either alone or together with an associate or associates
- “**International Financial Reporting Standards** means the most recent International Financial Reporting Standards issued by the International Accounting Standards Board or any successor body taking over the role of issuing International Financial Reporting Standards.
- “(4) For the purposes of this section, two persons are **associates** of each other if—
- “(a) one person acts or may act in accordance with the directions, requests, suggestions, or wishes of the other person; or
- “(b) both persons act or may act in accordance with the directions, requests, suggestions, or wishes of a third person.”

#### 14 Section 75 substituted

Section 75 is repealed and the following section substituted:

**“75 Taxable income from ships and aircraft owned by non-residents**

- “(1) For the purposes of this Part, 5% of the gross amount paid or payable to the owner of a ship for the carriage of merchandise, goods, livestock, mail, or passengers by the ship to outside of the Cook Islands is deemed to be taxable income derived by the owner from the Cook Islands, irrespective of whether—
- “(a) the amount is payable in or outside the Cook Islands; or
- “(b) the ship calls at 1 or more other ports in the Cook Islands before finally leaving.
- “(2) Subsection (1)—
- “(a) overrides any other provision of this Act and no other tax is assessable on the income earned from the carriage concerned; but

- “(b) applies only if the owner of the ship is not a resident of the Cook Islands.
- “(3) For the purposes of this Part, the amount paid or payable to the owner of an aircraft who is not a resident of the Cook Islands for the carriage of merchandise, goods, livestock, mail, or passengers by the aircraft to outside of the Cook Islands must be included in the total income derived by the owner from the Cook Islands, irrespective of whether—
  - “(a) the amount is payable in or outside the Cook Islands; or
  - “(b) the aircraft calls at 1 or more other airports in the Cook Islands before finally leaving.
- “(4) Subsection (3) applies unless an Order in Council made under subsection (5) provides otherwise.
- “(5) The Queen’s Representative may, by Order in Council, do either or both of the following:
  - “(a) exempt 1 or more persons specified in the order from the application of subsection (3), as from a date specified in the order;
  - “(b) vary the application of subsection (3) for 1 or more persons specified in the order by requiring only income from certain routes of carriage or types of carriage to be included in the total income of the persons, as from a date specified in the order.
- “(6) In this section, **owner**, in relation to a ship or aircraft, means the person to whom the ship or aircraft belongs or to whom the ship or aircraft is chartered.”

**15 Heading before section 76 and section 76 repealed**

- (1) The heading “**Non-resident film renters**” before section 76 is repealed.
- (2) Section 76 is repealed.

**16 Section 82 amended**

Section 82(1) is repealed and the following subsection substituted:

- “(1) For the purposes of this Part, a natural person is deemed to be resident in the Cook Islands if—
  - “(a) the person’s home is in the Cook Islands; and
  - “(b) the person is personally present in the Cook Islands for more than 183 days in a 12-month period.”

**17 Section 83 amended**

Section 83(1) is amended by inserting the following paragraphs after paragraph (l):

- “(la) an amount derived on disposal of a mineral extracted in the Cook Islands;
- “(lb) a natural resource amount if it relates to the taking of minerals or a living or non-living resource from the Cook Islands;
- “(lc) an amount—
  - “(i) derived on disposal of immovable property, or an interest in immovable property, in the Cook Islands; or
  - “(ii) derived on disposal of an interest in an entity, if the interest derives 20% or more of its value, directly or

indirectly, from immovable property in the Cook Islands; or

“(iii) an amount included in assessable income under section 143D(5) or (6), 143F(1), (2)(a), or (4), or 143G(3);”.

**18 Section 84 amended**

Section 84 is amended by inserting “, or of extraction and processing,” after “manufacture” in the second place where it occurs.

**19 Section 86 amended**

(1) Section 86(1) is amended by inserting “(contracting state)” after “outside the Cook Islands”.

(2) Section 86(5) is amended by omitting “Government with which the agreements are made” and substituting “contracting state”.

(3) Section 86 is amended by adding the following subsections:

“(6) Subject to subsection (7), when an agreement made under this section provides that income derived from the Cook Islands is exempt or excluded from Cook Islands tax or the application of the agreement results in a reduction in the rate of Cook Islands tax, the benefit of that exemption, exclusion, or reduction is not available to any entity that, for the purposes of the agreement, is a resident of the contracting state when 50% or more of the underlying ownership of that entity is held by an individual or individuals who are not residents of the contracting state for the purposes of the agreement.

“(7) Subsection (6) does not apply if the resident of the contracting state is a company listed on a stock exchange in that contracting state.”

**20 Heading to Part VII amended**

The heading to Part VII is amended by inserting “, NATURAL RESOURCE AMOUNTS,” after “INTEREST”.

**21 Section 98 amended**

The definition of **withholding income** in section 98 is repealed and the following definition substituted:

“**withholding income**—

“(a) means interest, dividends, natural resource amounts, or royalties that are derived from the Cook Islands and paid to a person who is not resident in the Cook Islands; but

“(b) does not include any income exempt from income tax under this Act.”

**22 Section 100 amended**

(1) Section 100 is amended by adding the following subsection:

“(4) Withholding tax paid under this section is the final tax in respect of the income for which it is paid and that income must not be included as assessable income of the person for any other purpose of this Act.”

(2) Section 100 is amended by adding the following subsection:

“(5) Despite subsection (1), the amount of the withholding tax is 30% if the withholding income is interest earned on an account with a banking



company and the taxpayer concerned has not provided the banking company with the taxpayer's taxpayer identification number (RMD number)."

- 23 **Section 105 repealed**  
Section 105 is repealed.

- 24 **New Part 8A inserted**  
The following Part is inserted after Part VIII—

**"Part 8A**  
**Seabed mining**

**"143A Interpretation**

- "(1) In this Part, unless the context otherwise requires,—
- "commencement date**, in relation to a contractor, means the start of the first income year of the contractor to which this part applies
- "commencement of commercial production** means the first day of the first period of 30 consecutive days during which the average level of production on the 25 highest production days in the 30-day period reaches a production level as determined by the Collector with the advice of the Seabed Minerals Commissioner
- "contractor** means a person issued with a title
- "development expenditure** means capital expenditure incurred in undertaking recovery operations authorised under a mining licence (other than expenditure incurred to acquire plant, machinery, equipment, or other property depreciated under this Act) and includes expenditure incurred in acquiring—
- "(a) an interest in a title other than an interest referred to in paragraph (a) of the definition of **exploration expenditure**; or
- "(b) information relating to mining operations other than information referred to in paragraph (b) of the definition of **exploration expenditure**
- "environmental fund** means a fund or account required to be established under Chapter 8 of the Seabed Minerals Act in relation to a title to provide for the future payment of remedial work to the title area and is managed jointly by the contractor and the Seabed Minerals Authority
- "exploration expenditure** means expenditure incurred in undertaking operations authorised under a prospecting permit, exploration licence, or retention lease (other than expenditure incurred to acquire plant, machinery, equipment, or other property depreciated under the Act), including expenditure incurred in acquiring—
- "(a) a prospecting permit, exploration licence, or retention lease from the Government or under a farm-out agreement; or
- "(b) prospecting information from the Government or under a farm-out agreement
- "farm-out agreement** means an agreement to which section 143G applies
- "mining information** means information associated with recovery operations

“**mining operations** means prospecting, exploration, or recovery operations, or operations undertaken under a retention lease

“**person** includes an entity

“**prospecting information** means information associated with prospecting or exploration operations, or operations associated with a retention lease

“**Seabed Minerals Authority** means the Cook Islands Seabed Minerals Authority established by section 16 of the Seabed Minerals Act

“**Seabed Minerals Commissioner** means the Seabed Minerals Commissioner appointed under section 24 of the Seabed Minerals Act

“**subcontractor** means a person supplying services to a contractor in respect of mining operations undertaken by the contractor, other than a person supplying services as an employee.

- “(2) Unless the context otherwise requires, any term that is used but not defined in this Part, but is defined in the Seabed Minerals Act has the meaning given to it by the Seabed Minerals Act.

*“Application of Income Tax to Seabed Mining Operations*

**“143B Taxation of contractors and subcontractors**

- “(1) Contractors and subcontractors are subject to tax in accordance with this Act but subject to the modifications in this Part.
- “(2) If there is any inconsistency in the taxation of a contractor or subcontractor as between this Part and the other Parts of this Act, this Part prevails.
- “(3) The rate of income tax applicable to a contractor is—
- “(a) for a company resident in the Cook Islands, 20%; and
- “(b) for a company that is not a resident of the Cook Islands, 28%.

**“143C Exploration and development expenditure**

- “(1) A contractor is allowed a deduction for exploration expenditure incurred by the contractor in relation to a title area in the income year in which the expenditure is incurred.
- “(2) Subject to subsection (3), a contractor is allowed a depreciation deduction under this Act on a straight-line basis for development expenditure incurred by the contractor in relation to a title area on the basis that the useful life of the expenditure is the lesser of—
- “(a) the expected life of the recovery operations in the title area to which the development expenditure relates; and
- “(b) 10 years.
- “(3) If development expenditure is incurred by a contractor before commencement of commercial production, subsection (2) applies on the basis that the expenditure was incurred at the time of commencement of commercial production.

**“143D Contributions to environmental fund**

- “(1) A contribution made by a contractor to an environmental fund under the terms of a title granted to the contractor is allowed as a deduction in the income year in which the contribution was made.

- “(2) Subject to subsection (3), expenditure incurred by a contractor in carrying out remedial work as directed by the Seabed Minerals Authority in respect of a title granted to the contractor is allowed as a deduction in the income year in which the expenditure is incurred.
- “(3) A deduction is not allowed under subsection (2) to the extent that the remedial work is paid for, directly or indirectly, from money made available out of the contractor’s environmental fund for the title in respect of which the remedial work is undertaken.
- “(4) An amount accumulated in an environmental fund or withdrawn from an environmental fund to pay for remedial work as directed by the Seabed Minerals Authority is exempt income.
- “(5) Any amount withdrawn from an environmental fund and returned to the contractor is included in assessable income of the contractor for the income year in which the amount was withdrawn and returned to the contractor.
- “(6) Any surplus in an environmental fund of a contractor at the time of completion of all mining operations to which the fund relates is included in the assessable income of the contractor for the income year in which the operations are completed.

**“143E Ring-fencing of mining operations**

- “(1) A deduction for expenditures or losses incurred, wholly or partly, by a contractor in undertaking mining operations in a title area during an income year is allowed only against the assessable income derived by the contractor from such operations in the title area during the year.
- “(2) If the total deductions of a contractor in respect of mining operations undertaken by the contractor in a title area during an income year exceed the total assessable income derived from such operations in the area for the year, the excess is carried forward and allowed as a deduction against the assessable income of the contractor from mining operations in the title area in the next following income year of the contractor.
- “(3) An amount that is not deducted under subsection (2) is carried forward to the next following income year of the contractor and allowed as a deduction in accordance with subsection (2) in that year and so on until the amount has been fully deducted or all mining operations in the title area cease.
- “(4) If a contractor has an excess carried forward under subsection (2) for more than one income year, the excess of the earliest period is allowed as a deduction first.
- “(5) If a contractor has ceased mining operations in a title area and the contractor has a loss under subsection (2) in relation to the title area, the contractor may elect, by notice in writing to the Collector, to treat the loss as a loss under subsection (2) in relation to another title area in which the contractor undertakes mining operations if the area covered by the second-mentioned title area falls wholly within the area covered by the first-mentioned title area.
- “(6) If—
  - “(a) a contractor has ceased mining operations in a title area; and

- “(b) the contractor has a loss under subsection (2) in relation to the title area; and
- “(c) subsection (5) does not apply to the contractor, the contractor may elect, by notice in writing to the Collector, to treat the loss as a loss under subsection (2) in relation to mining operations undertaken by the contractor in another title area.

**“143F Disposal of a title or information**

- “(1) Subject to section 143G, if a contractor disposes of an interest in a title the cost of which was deducted under section 143C(1), or otherwise recovers or recoups an amount deducted under section 143C(1), the consideration for the disposal, or the amount recovered or recouped, is included in the assessable income of the contractor for the income year in which the disposal occurs, or the amount is recovered or recouped.
- “(2) Subject to section 143G, if, during an income year, a contractor disposes of a title or information the cost of which was deducted under section 143C(2), no deduction is allowed for the cost of the title or information for that year and—
  - “(a) if the consideration for the disposal exceeds the written down value of the title or information at the time of disposal, the amount of the excess is included in the assessable income of the contractor for the income year in which the disposal occurred; or
  - “(b) if the written down value of the title or information at the time of disposal exceeds the consideration for the disposal, the contractor is allowed a deduction for the amount of the excess in the income year in which the disposal occurred.
- “(3) In this section, **written down value**, in relation to a title or mining information of a contractor, means the acquisition cost of the title or information reduced by the depreciation deductions allowed to the contractor in respect of the title or information under section 143C(2).
- “(4) Except when subsection (2) applies, if a contractor recovers or recoups an amount deducted as development expenditure under section 143C(2), the amount recovered or recouped is included in the assessable income of the contractor in the income year in which the amount is recovered or recouped.

**“143G Farm-out agreements**

- “(1) This section applies if the following conditions are satisfied:
  - “(a) a contractor has entered into an agreement with a person (the **transferee**) for the transfer of an interest in a title; and
  - “(b) the consideration given by the transferee for the interest in the title wholly or partly includes the transferee undertaking some or all of the contractor’s work commitments under the title.
- “(2) If this section applies, and the transfer of the interest in the title occurs at the time the agreement is entered into, the consideration received by the contractor for the interest does not include the value of any work undertaken by the transferee on behalf of the contractor.

- “(3) If this section applies and the transfer of the title is deferred until the transferee completes some or all of the work commitments of the contractor under the title—
- “(a) any amount in money payable under the agreement before the transfer of the title is included in the assessable income of the contractor in the income year in which the amount is payable; and
- “(b) the value of any work undertaken by the transferee on behalf of the contractor is not included in—
- “(i) the consideration received by the contractor for the transfer of the title; or
- “(ii) the assessable income of the contractor.
- “(4) If a title referred to in subsection (3) is subsequently transferred, the consideration received by the contractor does not include any amount included in assessable income under subsection (3).

**“143H Disposal of interest in an entity holding a title**

- “(1) Subject to subsection (2), the assessable income of a person for an income year includes the net gain arising on disposal of an interest in an entity, if the interest derives 20% or more of its value, directly or indirectly, from immovable property in the Cook Islands.
- “(2) The amount of the gain included in assessable income under subsection (1) is—
- “(a) if the interest derives more than 50% of its value, directly or indirectly, from immovable property in the Cook Islands, the full amount of the gain; or
- “(b) for any other case, the amount calculated according to the following formula:

$$a \times \frac{b}{c}$$

where—

- a** is the amount of the gain; and
- b** is the value of the interest derived, directly or indirectly, from immovable property in the Cook Islands; and
- c** is the total value of the interest.

- “(3) If there is a 10% or more change in the underlying ownership of a contractor, the contractor must immediately notify the Collector, in writing, of the change.
- “(4) If the person disposing of the interest to which the notice under subsection (3) relates is a non-resident person, the contractor is liable, as agent of the non-resident person, for any income tax payable by the non-resident person in respect of the disposal.

**“143I Withholding tax**

- “(1) Subject to subsection (2), a non-resident subcontractor who derives a fee for the provision of services (**services fee**) to a contractor in respect

of mining operations in the Cook Islands is liable to pay withholding tax at the rate of 15% on the gross amount of the services fee.

- “(2) Subsection (1) does not apply if the services giving rise to the fee are rendered by the subcontractor through a permanent establishment in the Cook Islands.
- “(3) A services fee to which subsection (2) applies is derived from the Cook Islands for the purposes of section 83 and is subject to income tax under section 39.
- “(4) A contractor paying a services fee to a subcontractor that is subject to tax under subsection (1) must withhold tax from the gross amount paid at the rate specified in subsection (1).
- “(5) A contractor required to withhold tax under subsection (4) from a services fee paid by the contractor to a subcontractor must withhold the tax at the earlier of—
  - “(a) the time the fee is credited to the account of the non-resident subcontractor; or
  - “(b) the time the fee is actually paid.
- “(6) Tax withheld by a contractor under subsection (4) must be paid to the Collector by the 20th day after the end of the month in which the contractor was required to withhold the tax.
- “(7) Withholding tax imposed under subsection (1) is a final tax on the services fee and the fee is not included in the assessable income of the subcontractor.
- “(8) Sections 103(2) and (3), 104, 107, 108, and 109 apply to tax imposed under subsection (1) on the basis that the services fee is withholding income and the tax is withholding tax.
- “(9) In this section, **non-resident subcontractor** means,—
  - “(a) for an individual or company, the individual or company is not a resident under section 82; or
  - “(b) for any other person, the person is formed, organised, or settled outside the Cook Islands.

#### *“Additional Profits Tax*

##### **“143J Imposition of additional profits tax**

- “(1) A contractor that has a positive cash balance in relation to a title area for an income year is liable to pay additional profits tax for that year.
- “(2) The additional profits tax payable in relation to a title area for an income year is 25% of the positive cash balance of the contractor for the year.
- “(3) The additional profits tax payable by a contractor for an income year is in addition to the income tax imposed on the taxable income of the contractor for the year.
- “(4) If a contractor has made an election under section 143E(5) or (6), the title areas to which the election relates are treated as a single title area for the purposes of the additional profits tax.

##### **“143K Cash balance**

- “(1) If a contractor has taxable income for a title area for an income year, the cash balance of the contractor for the title area for the year is the

taxable income of the contractor for the title area for the year subject to the following adjustments:

- “(a) the following amounts are deducted from the taxable income of the contractor:
  - “(i) the total capital expenditure incurred by the contractor for the year in acquiring plant, machinery, equipment, or other property depreciated under the Act to the extent that the property is used to derive amounts included in assessable income in relation to the title area; and
  - “(ii) the total development expenditure to the extent incurred by the contractor for the year to derive amounts included in assessable income in relation to the title area; and
  - “(iii) the income tax paid or payable by the contractor on the taxable income for the year in relation to the title area; and
  - “(iv) the adjusted negative cash balance brought forward from the previous income year as determined under subsection (3); and
- “(b) the following amounts are added to the taxable income of the contractor:
  - “(i) the total deduction allowed to the contractor for depreciation of plant, machinery, equipment, or other property for the year in relation to the title area; and
  - “(ii) the total deduction allowed to the contractor for depreciation of development expenditure for the year in relation to the title area; and
  - “(iii) the total deduction allowed for interest and other financial charges incurred by the contractor for the year in relation to the title area; and
  - “(iv) the total deduction allowed to the contractor in relation to derivative financial instruments or foreign currency hedges for the year in relation to the title area; and
  - “(v) any excess carried forward under section 143E for the income year in relation to the title area.
- “(2) If a contractor has a loss for a title area for an income year, the cash balance of the contractor for the title area for the year is the amount of the loss subject to the following adjustments:
  - “(a) the loss is increased by the amounts specified in subsection (1)(a); and
  - “(b) the loss is reduced by the amounts specified in subsection (1)(b).
- “(3) If the cash balance for the previous income year is negative, the amount deducted under subsection (1)(a)(iv) is the negative cash balance for the previous income year increased by 120%.
- “(4) If the cash balance of a contractor for a title area for an income year is positive, the cash balance for that year is treated as zero for the purposes of computing the cash balance of the contractor for the title area for the next following income year.
- “(5) If a contractor commenced mining operations in a title area before the commencement date, the cash balance of the contractor for the first

income year of the contractor commencing on or after that date is calculated on the basis that this Part applied from the commencement of the mining operations.

**“143L Procedure relating to additional profits tax**

- “(1) A contractor liable for additional profits tax must furnish an additional profits tax return for an income year by the same date as the income tax return is due for that year.
- “(2) An additional profits tax return for an income year must be furnished in the prescribed form and manner.
- “(3) The additional profits tax payable by a contractor for an income year is due and payable on the same date as the income tax is due and payable by the contractor for that year.
- “(4) A contractor must keep such accounts, documents, and records as enable the computation of the additional profits tax payable by the contractor for an income year.
- “(5) Subject to section 143M, this Act applies to additional profits tax as if it is income tax, with the necessary changes made, in relation to the following:
  - “(a) the assessment and collection of additional profits tax and penal tax imposed in respect of an additional profits tax liability, including the keeping of records and investigations:
  - “(b) appeals relating to a liability for additional profits tax or to penal tax imposed in respect of an additional profits tax liability:
  - “(c) the application for a refund of additional profits tax overpaid:
  - “(d) offences and penal tax.

**“143M Provisional tax instalments of additional profits tax**

- “(1) A contractor liable for additional profits tax for an income year must pay the tax in 2 instalments.
- “(2) Instalments of additional profits tax for an income year are due and payable at the same time as instalments of provisional tax payable by the person for the year are due.
- “(3) The amount of each instalment is 50% of the additional profits tax estimated by the contractor to be payable for the year.
- “(4) The provisions in this Act relating to the furnishing and revision of, and amendment to, an estimate of income tax payable for the purposes of paying provisional tax and to the liability for additional tax for underestimates apply, with the necessary changes made, to estimates of additional profits tax payable.”

**25 Section 153 amended**

- (1) The heading to section 153 is amended by omitting “**reduce**” and substituting “**change**”.
- (2) Section 153(1) is amended by inserting “or increase” after “reduce”.
- (3) Section 153(1) is amended by omitting “special”.



**26 Section 155 amended**

- (1) Section 155(1) is amended by omitting “who makes tax deductions from source deduction payments made to employees”.
- (2) Section 155(1)(a) is repealed and the following paragraph substituted:
  - “(a) not later than the 20th day after the end of each month—
    - “(i) deliver to the Collector a monthly remittance certificate signed by the employer, being a certificate in the form authorised by the Collector and showing the total amount of all source deduction payments made by the employer to employees during the month and the total amount of all tax deductions (if any) made from those payments; and
    - “(ii) pay to the Collector the amount of tax deductions from source deduction payments (if any) made by the employer during the month;”.
- (3) Section 155(1)(b) is amended by inserting “(if any)” after “deductions”.
- (4) Section 155(1)(c) is amended by inserting “(if any)” after “deductions”.
- (5) Section 155(1)(d) is amended by inserting “(if any)” after “deductions”.
- (6) Section 155(1)(e) is amended by inserting “(if any)” after “deductions” in each place it occurs.

**27 Section 169 amended**

- (1) Section 169(1) is amended by omitting “in addition to any other penalty to which the person may be liable, to a penalty equal to 5 per cent of the amount in respect of which default has been made and, for each complete month during which the default continues, a further 1% of that amount” and substituting “as well as any other additional tax to which the person may be liable, to an additional tax equal to 5% of the amount in respect of which default has been made and a further 1% per month calculated and compounded on the amount from time to time outstanding, for each complete month during which that amount remains unpaid”.
- (2) Section 169(3) is amended by omitting “A penalty” and substituting “An additional tax”.
- (3) Section 169(4) is amended by omitting “penalty” in both places it occurs and substituting “additional tax” in each place.
- (4) Section 169 is amended by adding the following subsection:
  - “(5) For the purposes of subsection (1), the **amount from time to time outstanding**, in relation to a complete month, means the sum of any of the following that is outstanding at the end of that month:
    - “(a) the 5% additional tax on the amount for which default was made; and
    - “(b) any previous monthly compounded charges.”

**28 Section 173 amended**

Section 173(3) is amended by deleting “\$1,000” and substituting “\$2,000”.

**29 Section 176 amended**

- (1) Section 176(b) is repealed and the following paragraphs substituted:

- “(b) the taxpayer is entitled to have a loss carried forward; or
- “(c) the taxpayer is entitled to have a loss carried forward, but the amount of the entitlement has increased or decreased from the preceding year; or
- “(d) the entitlement itself has changed from the preceding year”.

**30 Section 205 amended**

Section 205(2) is repealed.

**31 Section 206 amended**

Section 206 is amended by inserting the following subsection after subsection (1):

- “(1A) A person who commits an offence against subsection (1)(b) is liable on conviction to imprisonment for a term not exceeding 2 years or a fine not exceeding \$100,000, or both.”

**32 Section 217 amended**

- (1) Section 217(1) is amended by omitting “Subject to subsection (2) every” and substituting “Every”.

- (2) Section 217(2) is repealed and the following subsection substituted:

- “(2) Despite subsection (1), a person is not required to retain any records in respect of which the Collector has notified the person, in writing, that retention is not required.”

**33 Section 218 substituted**

Section 218 is repealed and the following section substituted:

**“218 Taxpayer identification number (RMD number)**

For the purposes of this Act, each taxpayer must have an identification number, known as an RMD number, as allocated by the Collector.”

**34 Section 219 amended**

Section 219(1) is amended by inserting “the Foundations Act 2012, the Captive Insurance Act 2013,” after “International Trusts Act 1984,”.

**35 Section 223 amended**

Section 223(1) is amended by omitting “sections 219 to 222” and substituting “any of sections 219 to 222 and 224”.

**36 Schedules 1, 2, and 2A substituted**

The First and Second Schedules are repealed and Schedules 1, 2, and 2A set out in the Schedule to this Act substituted.

**37 Consequential amendments**

- (1) The definition of **basic rates** in section 2 is amended by omitting “the First Schedule” and substituting “Schedule 1”.
- (2) The definition of **basic tax deductions** in section 2 is amended by omitting “the Second Schedule” and substituting “Schedule 2”.
- (3) Section 19 is amended by omitting “the First Schedule” in each place it occurs and substituting “Schedule 1” in each case.

- (4) Section 40 is amended by omitting “the First Schedule” and substituting “Schedule 1”.
  - (5) Section 45(2)(b)(i) is repealed.
  - (6) Section 74(2) is amended by omitting “the First Schedule” and substituting “Schedule 1”.
  - (7) Section 77(1) is amended by omitting “clause 5 of Part A of the First Schedule” and substituting “clause 4 of Schedule 1”.
  - (8) Section 140(1) is amended by omitting “the First Schedule” and substituting “Schedule 1”.
  - (9) Section 145 is amended by omitting “the Second Schedule” and substituting “Schedule 2”.
  - (10) Section 152(2)(b)(i) is amended by omitting “in clause (2)(a) of the Second Schedule” and substituting “clause 2 of Schedule 2”.
  - (11) Section 152(2)(b)(ii) is amended by omitting “in clause (2)(b) and (c) of the Second Schedule” and substituting “clause 2 of Schedule 2”.
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**Schedule**  
**Schedules 1, 2, and 2A substituted**

ss 2, 19, 40, 74, 77, 140

**Schedule 1**  
**Basic rates of income tax**

**1 Overseas insurance companies**

For the purposes of section 40, the basic rate for each taxpayer that is an overseas insurance company is 3 cents for each dollar of taxable income.

**2 Other companies**

For the purposes of section 40, the basic rate for each taxpayer that is a company (other than an overseas insurance company) is—

- (a) for a company deemed under section 82 to be resident in the Cook Islands, 20 cents for each dollar of taxable income:
- (b) for a company not deemed under section 82 to be resident in the Cook Islands, 28 cents for each dollar of taxable income.

**3 Natural persons**

For the purposes of section 40, the basic rate for each taxpayer who is an individual natural person (not merely acting as a trustee) is the amount set out in the following table:

| <b>Taxable income</b> | <b>Basic rate for each dollar of taxable income</b> |
|-----------------------|---|
| \$19,000 or less      | 18.5 cents  |
| \$19,001 to \$69,000  | 27.5 cents  |
| More than \$69,000    | 30 cents  |

**4 Other taxpayers**

For the purposes of section 40, the basic rate for any other taxpayer for each income year is 30 cents for each dollar of taxable income.

**5 Basic rates for income years before 2014 income tax year**

- (1) This clause applies despite clauses 1 to 4.
- (2) For the purposes of section 40, the basic rate for each taxpayer for any income year before the 2014 income year must be calculated in accordance with the First and Second Schedules of this Act as those Schedules read immediately before the commencement of the Income Tax Amendment Act 2013.
- (3) Nothing in subclause (2) limits or affects the application of the Acts Interpretation Act 1924.

## Schedule 2

### Basic tax deductions for salary or wages

#### 1 Interpretation

(1) In this Schedule,—

**primary income** means the sum of the following incomes of a person in an income year:

- (a) investment income (if any) for the income year; and
- (b) commercial and residential rental income (if any) for the income year; and
- (c) majority income for the income year

**secondary income** means the sum of all incomes of a person in an income year excluding his or her primary income

**total income** means the sum of the primary and secondary incomes of a person in an income year, whether an actual or estimated amount.

(2) For the purposes of subclause (1), **majority income** means—

- (a) a person's largest source of non-investment income in an income year, if the amount is more than 50% of the person's total non-investment income; or
- (b) if the person's largest source of non-investment income in an income year is 50% or less of the person's total non-investment income, a person's income from all non-investment income other than that largest source.

(3) For the purposes of subclause (2), **non-investment income**, in an income year, means a person's income from a source other than investment income and rental income.

#### 2 Payments for pay periods of weekly duration

(1) From each payment of salary or wages where the payment is for a weekly pay period, the basic tax deduction—

- (a) for primary income, is the amount set out in Schedule 2A that corresponds to the weekly income amount;
- (b) for secondary income, is—
  - (i) 18.5% of the amount set out in Schedule 2A that corresponds to the weekly income amount, if the employee's total income is \$30,000 or less for the income year; or
  - (ii) 27.5% of the amount set out in Schedule 2A that corresponds to the weekly income amount, if the employee's total income is more than \$30,000 but less than \$80,000; or
  - (iii) 30%, if the employee's total income is more than \$80,000.

(2) Subclause (1)(b) applies unless the Collector otherwise determines under section 153.

**3 Payments for pay periods of more than weekly duration**

From each payment of salary or wages where the payment is for a pay period that is more than one week, the basic tax deduction is the amount determined in the following manner:

**Step 1:** Calculate the part of the payment that is equivalent to one week. For this purpose, overtime pay included in the payment (if any) and the balance of the payment must be treated as accruing at a uniform daily rate throughout the pay period.

**Step 2:** Calculate the basic tax deduction for the notional weekly amount in accordance with clause 2 and the amounts set out in Schedule 2A.

**Step 3:** Multiply the amount calculated under Step 2 by the total payment for the pay period then divide that amount by the payment equivalent to one week.

**4 Payments for other cases**

From each payment of salary or wages where neither clause 1 nor 2 applies, the basic tax deduction is, in respect of so much of the payment as is for the services of the employee during any week ending with a Saturday (calculated in accordance with section 150, if applicable), the amount that would be made under clause 1 and Schedule 2A if the payment or the part payment, as the case may be, were for a weekly pay period ending with that Saturday.

**5 Payments for employees with “no declaration” tax code**

- (1) From each payment of salary or wages to an employee to whom a “no declaration” tax code applies under section 149, the basic tax deduction is 30 cents for every dollar or part of a dollar of payment.
- (2) Subclause (1) applies regardless of whether the deduction is for primary income or secondary income.

**6 Extra emoluments**

From each payment of an extra emolument, the basic tax deduction is 30 cents for every dollar or part of a dollar of payment.

**Schedule 2A**  
**PAYE Schedule from 1 January 2014**

No tax on weekly income below: \$212

| Weekly Income |      |     | Weekly Income |       |     | Weekly Income |       |     | Weekly Income |     |       | Weekly Income |       |     | Weekly Income |     |  |
|---------------|------|-----|---------------|-------|-----|---------------|-------|-----|---------------|-----|-------|---------------|-------|-----|---------------|-----|--|
| \$            | Tax  |     | \$            | Tax   |     | \$            | Tax   |     | \$            | Tax |       | \$            | Tax   |     | \$            | Tax |  |
| 212           | 0.09 | 237 | 4.71          | 9.34  | 262 | 13.96         | 18.59 | 312 | 23.21         | 337 | 27.84 | 362           | 32.46 | 387 | 32.46         |     |  |
| 213           | 0.27 | 238 | 4.90          | 9.52  | 263 | 14.15         | 18.77 | 313 | 23.40         | 338 | 28.02 | 363           | 32.65 | 388 | 32.65         |     |  |
| 214           | 0.46 | 239 | 5.08          | 9.71  | 264 | 14.33         | 18.96 | 314 | 23.58         | 339 | 28.21 | 364           | 32.83 | 389 | 32.83         |     |  |
| 215           | 0.64 | 240 | 5.27          | 9.89  | 265 | 14.52         | 19.14 | 315 | 23.77         | 340 | 28.39 | 365           | 33.02 | 390 | 33.02         |     |  |
| 216           | 0.83 | 241 | 5.45          | 10.08 | 266 | 14.70         | 19.33 | 316 | 23.95         | 341 | 28.58 | 366           | 33.20 | 391 | 33.20         |     |  |
| 217           | 1.01 | 242 | 5.64          | 10.26 | 267 | 14.89         | 19.51 | 317 | 24.14         | 342 | 28.76 | 367           | 33.39 | 392 | 33.39         |     |  |
| 218           | 1.20 | 243 | 5.82          | 10.45 | 268 | 15.07         | 19.70 | 318 | 24.32         | 343 | 28.95 | 368           | 33.57 | 393 | 33.57         |     |  |
| 219           | 1.38 | 244 | 6.01          | 10.63 | 269 | 15.26         | 19.88 | 319 | 24.51         | 344 | 29.13 | 369           | 33.76 | 394 | 33.76         |     |  |
| 220           | 1.57 | 245 | 6.19          | 10.82 | 270 | 15.44         | 20.07 | 320 | 24.69         | 345 | 29.32 | 370           | 33.94 | 395 | 33.94         |     |  |
| 221           | 1.75 | 246 | 6.38          | 11.00 | 271 | 15.63         | 20.25 | 321 | 24.88         | 346 | 29.50 | 371           | 34.13 | 396 | 34.13         |     |  |
| 222           | 1.94 | 247 | 6.56          | 11.19 | 272 | 15.81         | 20.44 | 322 | 25.06         | 347 | 29.69 | 372           | 34.31 | 397 | 34.31         |     |  |
| 223           | 2.12 | 248 | 6.75          | 11.37 | 273 | 16.00         | 20.62 | 323 | 25.25         | 348 | 29.87 | 373           | 34.50 | 398 | 34.50         |     |  |
| 224           | 2.31 | 249 | 6.93          | 11.56 | 274 | 16.18         | 20.81 | 324 | 25.43         | 349 | 30.06 | 374           | 34.68 | 399 | 34.68         |     |  |
| 225           | 2.49 | 250 | 7.12          | 11.74 | 275 | 16.37         | 20.99 | 325 | 25.62         | 350 | 30.24 | 375           | 34.87 | 400 | 34.87         |     |  |
| 226           | 2.68 | 251 | 7.30          | 11.93 | 276 | 16.55         | 21.18 | 326 | 25.80         | 351 | 30.43 | 376           | 35.05 | 401 | 35.05         |     |  |
| 227           | 2.86 | 252 | 7.49          | 12.11 | 277 | 16.74         | 21.36 | 327 | 25.99         | 352 | 30.61 | 377           | 35.24 | 402 | 35.24         |     |  |
| 228           | 3.05 | 253 | 7.67          | 12.30 | 278 | 16.92         | 21.55 | 328 | 26.17         | 353 | 30.80 | 378           | 35.42 | 403 | 35.42         |     |  |
| 229           | 3.23 | 254 | 7.86          | 12.48 | 279 | 17.11         | 21.73 | 329 | 26.36         | 354 | 30.98 | 379           | 35.61 | 404 | 35.61         |     |  |
| 230           | 3.42 | 255 | 8.04          | 12.67 | 280 | 17.29         | 21.92 | 330 | 26.54         | 355 | 31.17 | 380           | 35.79 | 405 | 35.79         |     |  |
| 231           | 3.60 | 256 | 8.23          | 12.85 | 281 | 17.48         | 22.10 | 331 | 26.73         | 356 | 31.35 | 381           | 35.98 | 406 | 35.98         |     |  |
| 232           | 3.79 | 257 | 8.41          | 13.04 | 282 | 17.66         | 22.29 | 332 | 26.91         | 357 | 31.54 | 382           | 36.16 | 407 | 36.16         |     |  |
| 233           | 3.97 | 258 | 8.60          | 13.22 | 283 | 17.85         | 22.47 | 333 | 27.10         | 358 | 31.72 | 383           | 36.35 | 408 | 36.35         |     |  |
| 234           | 4.16 | 259 | 8.78          | 13.41 | 284 | 18.03         | 22.66 | 334 | 27.28         | 359 | 31.91 | 384           | 36.53 | 409 | 36.53         |     |  |
| 235           | 4.34 | 260 | 8.97          | 13.59 | 285 | 18.22         | 22.84 | 335 | 27.47         | 360 | 32.09 | 385           | 36.72 | 410 | 36.72         |     |  |
| 236           | 4.53 | 261 | 9.15          | 13.78 | 286 | 18.40         | 23.03 | 336 | 27.65         | 361 | 32.28 | 386           | 36.90 | 411 | 36.90         |     |  |

| Weekly Income |       | Weekly Income |       | Weekly Income |       | Weekly Income |       | Weekly Income |       | Weekly Income |       | Weekly Income |       | Weekly Income |        |
|---------------|-------|---------------|-------|---------------|-------|---------------|-------|---------------|-------|---------------|-------|---------------|-------|---------------|--------|
| \$            | Tax   | \$            | Tax   | \$            | Tax   | \$            | Tax   | \$            | Tax   | \$            | Tax   | \$            | Tax   | \$            | Tax    |
| 412           | 37.09 | 449           | 43.93 | 486           | 50.78 | 523           | 57.62 | 560           | 64.47 | 597           | 73.12 | 634           | 83.29 | 671           | 93.47  |
| 413           | 37.27 | 450           | 44.12 | 487           | 50.96 | 524           | 57.81 | 561           | 64.65 | 598           | 73.39 | 635           | 83.57 | 672           | 93.74  |
| 414           | 37.46 | 451           | 44.30 | 488           | 51.15 | 525           | 57.99 | 562           | 64.84 | 599           | 73.67 | 636           | 83.84 | 673           | 94.02  |
| 415           | 37.64 | 452           | 44.49 | 489           | 51.33 | 526           | 58.18 | 563           | 65.02 | 600           | 73.94 | 637           | 84.12 | 674           | 94.29  |
| 416           | 37.83 | 453           | 44.67 | 490           | 51.52 | 527           | 58.36 | 564           | 65.21 | 601           | 74.22 | 638           | 84.39 | 675           | 94.57  |
| 417           | 38.01 | 454           | 44.86 | 491           | 51.70 | 528           | 58.55 | 565           | 65.39 | 602           | 74.49 | 639           | 84.67 | 676           | 94.84  |
| 418           | 38.20 | 455           | 45.04 | 492           | 51.89 | 529           | 58.73 | 566           | 65.58 | 603           | 74.77 | 640           | 84.94 | 677           | 95.12  |
| 419           | 38.38 | 456           | 45.23 | 493           | 52.07 | 530           | 58.92 | 567           | 65.76 | 604           | 75.04 | 641           | 85.22 | 678           | 95.39  |
| 420           | 38.57 | 457           | 45.41 | 494           | 52.26 | 531           | 59.10 | 568           | 65.95 | 605           | 75.32 | 642           | 85.49 | 679           | 95.67  |
| 421           | 38.75 | 458           | 45.60 | 495           | 52.44 | 532           | 59.29 | 569           | 66.13 | 606           | 75.59 | 643           | 85.77 | 680           | 95.94  |
| 422           | 38.94 | 459           | 45.78 | 496           | 52.63 | 533           | 59.47 | 570           | 66.32 | 607           | 75.87 | 644           | 86.04 | 681           | 96.22  |
| 423           | 39.12 | 460           | 45.97 | 497           | 52.81 | 534           | 59.66 | 571           | 66.50 | 608           | 76.14 | 645           | 86.32 | 682           | 96.49  |
| 424           | 39.31 | 461           | 46.15 | 498           | 53.00 | 535           | 59.84 | 572           | 66.69 | 609           | 76.42 | 646           | 86.59 | 683           | 96.77  |
| 425           | 39.49 | 462           | 46.34 | 499           | 53.18 | 536           | 60.03 | 573           | 66.87 | 610           | 76.69 | 647           | 86.87 | 684           | 97.04  |
| 426           | 39.68 | 463           | 46.52 | 500           | 53.37 | 537           | 60.21 | 574           | 67.06 | 611           | 76.97 | 648           | 87.14 | 685           | 97.32  |
| 427           | 39.86 | 464           | 46.71 | 501           | 53.55 | 538           | 60.40 | 575           | 67.24 | 612           | 77.24 | 649           | 87.42 | 686           | 97.59  |
| 428           | 40.05 | 465           | 46.89 | 502           | 53.74 | 539           | 60.58 | 576           | 67.43 | 613           | 77.52 | 650           | 87.69 | 687           | 97.87  |
| 429           | 40.23 | 466           | 47.08 | 503           | 53.92 | 540           | 60.77 | 577           | 67.62 | 614           | 77.79 | 651           | 87.97 | 688           | 98.14  |
| 430           | 40.42 | 467           | 47.26 | 504           | 54.11 | 541           | 60.95 | 578           | 67.89 | 615           | 78.07 | 652           | 88.24 | 689           | 98.42  |
| 431           | 40.60 | 468           | 47.45 | 505           | 54.29 | 542           | 61.14 | 579           | 68.17 | 616           | 78.34 | 653           | 88.52 | 690           | 98.69  |
| 432           | 40.79 | 469           | 47.63 | 506           | 54.48 | 543           | 61.32 | 580           | 68.44 | 617           | 78.62 | 654           | 88.79 | 691           | 98.97  |
| 433           | 40.97 | 470           | 47.82 | 507           | 54.66 | 544           | 61.51 | 581           | 68.72 | 618           | 78.89 | 655           | 89.07 | 692           | 99.24  |
| 434           | 41.16 | 471           | 48.00 | 508           | 54.85 | 545           | 61.69 | 582           | 68.99 | 619           | 79.17 | 656           | 89.34 | 693           | 99.52  |
| 435           | 41.34 | 472           | 48.19 | 509           | 55.03 | 546           | 61.88 | 583           | 69.27 | 620           | 79.44 | 657           | 89.62 | 694           | 99.79  |
| 436           | 41.53 | 473           | 48.37 | 510           | 55.22 | 547           | 62.06 | 584           | 69.54 | 621           | 79.72 | 658           | 89.89 | 695           | 100.07 |
| 437           | 41.71 | 474           | 48.56 | 511           | 55.40 | 548           | 62.25 | 585           | 69.82 | 622           | 79.99 | 659           | 90.17 | 696           | 100.34 |
| 438           | 41.90 | 475           | 48.74 | 512           | 55.59 | 549           | 62.43 | 586           | 70.09 | 623           | 80.27 | 660           | 90.44 | 697           | 100.62 |
| 439           | 42.08 | 476           | 48.93 | 513           | 55.77 | 550           | 62.62 | 587           | 70.37 | 624           | 80.54 | 661           | 90.72 | 698           | 100.89 |
| 440           | 42.27 | 477           | 49.11 | 514           | 55.96 | 551           | 62.80 | 588           | 70.64 | 625           | 80.82 | 662           | 90.99 | 699           | 101.17 |
| 441           | 42.45 | 478           | 49.30 | 515           | 56.14 | 552           | 62.99 | 589           | 70.92 | 626           | 81.09 | 663           | 91.27 | 700           | 101.44 |
| 442           | 42.64 | 479           | 49.48 | 516           | 56.33 | 553           | 63.17 | 590           | 71.19 | 627           | 81.37 | 664           | 91.54 | 701           | 101.72 |
| 443           | 42.82 | 480           | 49.67 | 517           | 56.51 | 554           | 63.36 | 591           | 71.47 | 628           | 81.64 | 665           | 91.82 | 702           | 101.99 |
| 444           | 43.01 | 481           | 49.85 | 518           | 56.70 | 555           | 63.54 | 592           | 71.74 | 629           | 81.92 | 666           | 92.09 | 703           | 102.27 |
| 445           | 43.19 | 482           | 50.04 | 519           | 56.88 | 556           | 63.73 | 593           | 72.02 | 630           | 82.19 | 667           | 92.37 | 704           | 102.54 |
| 446           | 43.38 | 483           | 50.22 | 520           | 57.07 | 557           | 63.91 | 594           | 72.29 | 631           | 82.47 | 668           | 92.64 | 705           | 102.82 |
| 447           | 43.56 | 484           | 50.41 | 521           | 57.25 | 558           | 64.10 | 595           | 72.57 | 632           | 82.74 | 669           | 92.92 | 706           | 103.09 |
| 448           | 43.75 | 485           | 50.59 | 522           | 57.44 | 559           | 64.28 | 596           | 72.84 | 633           | 83.02 | 670           | 93.19 | 707           | 103.37 |



25

| Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        |
|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|
| \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    |
| 1004          | 185.04 | 1041          | 195.22 | 1078          | 205.39 | 1115          | 215.57 | 1152          | 225.74 | 1189          | 235.92 | 1226          | 246.09 | 1263          | 256.27 |
| 1005          | 185.32 | 1042          | 195.49 | 1079          | 205.67 | 1116          | 215.84 | 1153          | 226.02 | 1190          | 236.19 | 1227          | 246.37 | 1264          | 256.54 |
| 1006          | 185.59 | 1043          | 195.77 | 1080          | 205.94 | 1117          | 216.12 | 1154          | 226.29 | 1191          | 236.47 | 1228          | 246.64 | 1265          | 256.82 |
| 1007          | 185.87 | 1044          | 196.04 | 1081          | 206.22 | 1118          | 216.39 | 1155          | 226.57 | 1192          | 236.74 | 1229          | 246.92 | 1266          | 257.09 |
| 1008          | 186.14 | 1045          | 196.32 | 1082          | 206.49 | 1119          | 216.67 | 1156          | 226.84 | 1193          | 237.02 | 1230          | 247.19 | 1267          | 257.37 |
| 1009          | 186.42 | 1046          | 196.59 | 1083          | 206.77 | 1120          | 216.94 | 1157          | 227.12 | 1194          | 237.29 | 1231          | 247.47 | 1268          | 257.64 |
| 1010          | 186.69 | 1047          | 196.87 | 1084          | 207.04 | 1121          | 217.22 | 1158          | 227.39 | 1195          | 237.57 | 1232          | 247.74 | 1269          | 257.92 |
| 1011          | 186.97 | 1048          | 197.14 | 1085          | 207.32 | 1122          | 217.49 | 1159          | 227.67 | 1196          | 237.84 | 1233          | 248.02 | 1270          | 258.19 |
| 1012          | 187.24 | 1049          | 197.42 | 1086          | 207.59 | 1123          | 217.77 | 1160          | 227.94 | 1197          | 238.12 | 1234          | 248.29 | 1271          | 258.47 |
| 1013          | 187.52 | 1050          | 197.69 | 1087          | 207.87 | 1124          | 218.04 | 1161          | 228.22 | 1198          | 238.39 | 1235          | 248.57 | 1272          | 258.74 |
| 1014          | 187.79 | 1051          | 197.97 | 1088          | 208.14 | 1125          | 218.32 | 1162          | 228.49 | 1199          | 238.67 | 1236          | 248.84 | 1273          | 259.02 |
| 1015          | 188.07 | 1052          | 198.24 | 1089          | 208.42 | 1126          | 218.59 | 1163          | 228.77 | 1200          | 238.94 | 1237          | 249.12 | 1274          | 259.29 |
| 1016          | 188.34 | 1053          | 198.52 | 1090          | 208.69 | 1127          | 218.87 | 1164          | 229.04 | 1201          | 239.22 | 1238          | 249.39 | 1275          | 259.57 |
| 1017          | 188.62 | 1054          | 198.79 | 1091          | 208.97 | 1128          | 219.14 | 1165          | 229.32 | 1202          | 239.49 | 1239          | 249.67 | 1276          | 259.84 |
| 1018          | 188.89 | 1055          | 199.07 | 1092          | 209.24 | 1129          | 219.42 | 1166          | 229.59 | 1203          | 239.77 | 1240          | 249.94 | 1277          | 260.12 |
| 1019          | 189.17 | 1056          | 199.34 | 1093          | 209.52 | 1130          | 219.69 | 1167          | 229.87 | 1204          | 240.04 | 1241          | 250.22 | 1278          | 260.39 |
| 1020          | 189.44 | 1057          | 199.62 | 1094          | 209.79 | 1131          | 219.97 | 1168          | 230.14 | 1205          | 240.32 | 1242          | 250.49 | 1279          | 260.67 |
| 1021          | 189.72 | 1058          | 199.89 | 1095          | 210.07 | 1132          | 220.24 | 1169          | 230.42 | 1206          | 240.59 | 1243          | 250.77 | 1280          | 260.94 |
| 1022          | 189.99 | 1059          | 200.17 | 1096          | 210.34 | 1133          | 220.52 | 1170          | 230.69 | 1207          | 240.87 | 1244          | 251.04 | 1281          | 261.22 |
| 1023          | 190.27 | 1060          | 200.44 | 1097          | 210.62 | 1134          | 220.79 | 1171          | 230.97 | 1208          | 241.14 | 1245          | 251.32 | 1282          | 261.49 |
| 1024          | 190.54 | 1061          | 200.72 | 1098          | 210.89 | 1135          | 221.07 | 1172          | 231.24 | 1209          | 241.42 | 1246          | 251.59 | 1283          | 261.77 |
| 1025          | 190.82 | 1062          | 200.99 | 1099          | 211.17 | 1136          | 221.34 | 1173          | 231.52 | 1210          | 241.69 | 1247          | 251.87 | 1284          | 262.04 |
| 1026          | 191.09 | 1063          | 201.27 | 1100          | 211.44 | 1137          | 221.62 | 1174          | 231.79 | 1211          | 241.97 | 1248          | 252.14 | 1285          | 262.32 |
| 1027          | 191.37 | 1064          | 201.54 | 1101          | 211.72 | 1138          | 221.89 | 1175          | 232.07 | 1212          | 242.24 | 1249          | 252.42 | 1286          | 262.59 |
| 1028          | 191.64 | 1065          | 201.82 | 1102          | 211.99 | 1139          | 222.17 | 1176          | 232.34 | 1213          | 242.52 | 1250          | 252.69 | 1287          | 262.87 |
| 1029          | 191.92 | 1066          | 202.09 | 1103          | 212.27 | 1140          | 222.44 | 1177          | 232.62 | 1214          | 242.79 | 1251          | 252.97 | 1288          | 263.14 |
| 1030          | 192.19 | 1067          | 202.37 | 1104          | 212.54 | 1141          | 222.72 | 1178          | 232.89 | 1215          | 243.07 | 1252          | 253.24 | 1289          | 263.42 |
| 1031          | 192.47 | 1068          | 202.64 | 1105          | 212.82 | 1142          | 222.99 | 1179          | 233.17 | 1216          | 243.34 | 1253          | 253.52 | 1290          | 263.69 |
| 1032          | 192.74 | 1069          | 202.92 | 1106          | 213.09 | 1143          | 223.27 | 1180          | 233.44 | 1217          | 243.62 | 1254          | 253.79 | 1291          | 263.97 |
| 1033          | 193.02 | 1070          | 203.19 | 1107          | 213.37 | 1144          | 223.54 | 1181          | 233.72 | 1218          | 243.89 | 1255          | 254.07 | 1292          | 264.24 |
| 1034          | 193.29 | 1071          | 203.47 | 1108          | 213.64 | 1145          | 223.82 | 1182          | 233.99 | 1219          | 244.17 | 1256          | 254.34 | 1293          | 264.52 |
| 1035          | 193.57 | 1072          | 203.74 | 1109          | 213.92 | 1146          | 224.09 | 1183          | 234.27 | 1220          | 244.44 | 1257          | 254.62 | 1294          | 264.79 |
| 1036          | 193.84 | 1073          | 204.02 | 1110          | 214.19 | 1147          | 224.37 | 1184          | 234.54 | 1221          | 244.72 | 1258          | 254.89 | 1295          | 265.07 |
| 1037          | 194.12 | 1074          | 204.29 | 1111          | 214.47 | 1148          | 224.64 | 1185          | 234.82 | 1222          | 244.99 | 1259          | 255.17 | 1296          | 265.34 |
| 1038          | 194.39 | 1075          | 204.57 | 1112          | 214.74 | 1149          | 224.92 | 1186          | 235.09 | 1223          | 245.27 | 1260          | 255.44 | 1297          | 265.62 |
| 1039          | 194.67 | 1076          | 204.84 | 1113          | 215.02 | 1150          | 225.19 | 1187          | 235.37 | 1224          | 245.54 | 1261          | 255.72 | 1298          | 265.89 |
| 1040          | 194.94 | 1077          | 205.12 | 1114          | 215.29 | 1151          | 225.47 | 1188          | 235.64 | 1225          | 245.82 | 1262          | 255.99 | 1299          | 266.17 |

27

| Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        | Weekly Income |        |
|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|
| \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    | \$            | Tax    |
| 1596          | 349.28 | 1633          | 360.38 | 1670          | 371.48 | 1707          | 382.58 | 1744          | 393.68 | 1781          | 404.78 | 1818          | 415.88 | 1855          | 426.98 |
| 1597          | 349.58 | 1634          | 360.68 | 1671          | 371.78 | 1708          | 382.88 | 1745          | 393.98 | 1782          | 405.08 | 1819          | 416.18 | 1856          | 427.28 |
| 1598          | 349.88 | 1635          | 360.98 | 1672          | 372.08 | 1709          | 383.18 | 1746          | 394.28 | 1783          | 405.38 | 1820          | 416.48 | 1857          | 427.58 |
| 1599          | 350.18 | 1636          | 361.28 | 1673          | 372.38 | 1710          | 383.48 | 1747          | 394.58 | 1784          | 405.68 | 1821          | 416.78 | 1858          | 427.88 |
| 1600          | 350.48 | 1637          | 361.58 | 1674          | 372.68 | 1711          | 383.78 | 1748          | 394.88 | 1785          | 405.98 | 1822          | 417.08 | 1859          | 428.18 |
| 1601          | 350.78 | 1638          | 361.88 | 1675          | 372.98 | 1712          | 384.08 | 1749          | 395.18 | 1786          | 406.28 | 1823          | 417.38 | 1860          | 428.48 |
| 1602          | 351.08 | 1639          | 362.18 | 1676          | 373.28 | 1713          | 384.38 | 1750          | 395.48 | 1787          | 406.58 | 1824          | 417.68 | 1861          | 428.78 |
| 1603          | 351.38 | 1640          | 362.48 | 1677          | 373.58 | 1714          | 384.68 | 1751          | 395.78 | 1788          | 406.88 | 1825          | 417.98 | 1862          | 429.08 |
| 1604          | 351.68 | 1641          | 362.78 | 1678          | 373.88 | 1715          | 384.98 | 1752          | 396.08 | 1789          | 407.18 | 1826          | 418.28 | 1863          | 429.38 |
| 1605          | 351.98 | 1642          | 363.08 | 1679          | 374.18 | 1716          | 385.28 | 1753          | 396.38 | 1790          | 407.48 | 1827          | 418.58 | 1864          | 429.68 |
| 1606          | 352.28 | 1643          | 363.38 | 1680          | 374.48 | 1717          | 385.58 | 1754          | 396.68 | 1791          | 407.78 | 1828          | 418.88 | 1865          | 429.98 |
| 1607          | 352.58 | 1644          | 363.68 | 1681          | 374.78 | 1718          | 385.88 | 1755          | 396.98 | 1792          | 408.08 | 1829          | 419.18 | 1866          | 430.28 |
| 1608          | 352.88 | 1645          | 363.98 | 1682          | 375.08 | 1719          | 386.18 | 1756          | 397.28 | 1793          | 408.38 | 1830          | 419.48 | 1867          | 430.58 |
| 1609          | 353.18 | 1646          | 364.28 | 1683          | 375.38 | 1720          | 386.48 | 1757          | 397.58 | 1794          | 408.68 | 1831          | 419.78 | 1868          | 430.88 |
| 1610          | 353.48 | 1647          | 364.58 | 1684          | 375.68 | 1721          | 386.78 | 1758          | 397.88 | 1795          | 408.98 | 1832          | 420.08 | 1869          | 431.18 |
| 1611          | 353.78 | 1648          | 364.88 | 1685          | 375.98 | 1722          | 387.08 | 1759          | 398.18 | 1796          | 409.28 | 1833          | 420.38 | 1870          | 431.48 |
| 1612          | 354.08 | 1649          | 365.18 | 1686          | 376.28 | 1723          | 387.38 | 1760          | 398.48 | 1797          | 409.58 | 1834          | 420.68 | 1871          | 431.78 |
| 1613          | 354.38 | 1650          | 365.48 | 1687          | 376.58 | 1724          | 387.68 | 1761          | 398.78 | 1798          | 409.88 | 1835          | 420.98 | 1872          | 432.08 |
| 1614          | 354.68 | 1651          | 365.78 | 1688          | 376.88 | 1725          | 387.98 | 1762          | 399.08 | 1799          | 410.18 | 1836          | 421.28 | 1873          | 432.38 |
| 1615          | 354.98 | 1652          | 366.08 | 1689          | 377.18 | 1726          | 388.28 | 1763          | 399.38 | 1800          | 410.48 | 1837          | 421.58 | 1874          | 432.68 |
| 1616          | 355.28 | 1653          | 366.38 | 1690          | 377.48 | 1727          | 388.58 | 1764          | 399.68 | 1801          | 410.78 | 1838          | 421.88 | 1875          | 432.98 |
| 1617          | 355.58 | 1654          | 366.68 | 1691          | 377.78 | 1728          | 388.88 | 1765          | 399.98 | 1802          | 411.08 | 1839          | 422.18 | 1876          | 433.28 |
| 1618          | 355.88 | 1655          | 366.98 | 1692          | 378.08 | 1729          | 389.18 | 1766          | 400.28 | 1803          | 411.38 | 1840          | 422.48 | 1877          | 433.58 |
| 1619          | 356.18 | 1656          | 367.28 | 1693          | 378.38 | 1730          | 389.48 | 1767          | 400.58 | 1804          | 411.68 | 1841          | 422.78 | 1878          | 433.88 |
| 1620          | 356.48 | 1657          | 367.58 | 1694          | 378.68 | 1731          | 389.78 | 1768          | 400.88 | 1805          | 411.98 | 1842          | 423.08 | 1879          | 434.18 |
| 1621          | 356.78 | 1658          | 367.88 | 1695          | 378.98 | 1732          | 390.08 | 1769          | 401.18 | 1806          | 412.28 | 1843          | 423.38 | 1880          | 434.48 |
| 1622          | 357.08 | 1659          | 368.18 | 1696          | 379.28 | 1733          | 390.38 | 1770          | 401.48 | 1807          | 412.58 | 1844          | 423.68 | 1881          | 434.78 |
| 1623          | 357.38 | 1660          | 368.48 | 1697          | 379.58 | 1734          | 390.68 | 1771          | 401.78 | 1808          | 412.88 | 1845          | 423.98 | 1882          | 435.08 |
| 1624          | 357.68 | 1661          | 368.78 | 1698          | 379.88 | 1735          | 390.98 | 1772          | 402.08 | 1809          | 413.18 | 1846          | 424.28 | 1883          | 435.38 |
| 1625          | 357.98 | 1662          | 369.08 | 1699          | 380.18 | 1736          | 391.28 | 1773          | 402.38 | 1810          | 413.48 | 1847          | 424.58 | 1884          | 435.68 |
| 1626          | 358.28 | 1663          | 369.38 | 1700          | 380.48 | 1737          | 391.58 | 1774          | 402.68 | 1811          | 413.78 | 1848          | 424.88 | 1885          | 435.98 |
| 1627          | 358.58 | 1664          | 369.68 | 1701          | 380.78 | 1738          | 391.88 | 1775          | 402.98 | 1812          | 414.08 | 1849          | 425.18 | 1886          | 436.28 |
| 1628          | 358.88 | 1665          | 369.98 | 1702          | 381.08 | 1739          | 392.18 | 1776          | 403.28 | 1813          | 414.38 | 1850          | 425.48 | 1887          | 436.58 |
| 1629          | 359.18 | 1666          | 370.28 | 1703          | 381.38 | 1740          | 392.48 | 1777          | 403.58 | 1814          | 414.68 | 1851          | 425.78 | 1888          | 436.88 |
| 1630          | 359.48 | 1667          | 370.58 | 1704          | 381.68 | 1741          | 392.78 | 1778          | 403.88 | 1815          | 414.98 | 1852          | 426.08 | 1889          | 437.18 |
| 1631          | 359.78 | 1668          | 370.88 | 1705          | 381.98 | 1742          | 393.08 | 1779          | 404.18 | 1816          | 415.28 | 1853          | 426.38 | 1890          | 437.48 |
| 1632          | 360.08 | 1669          | 371.18 | 1706          | 382.28 | 1743          | 393.38 | 1780          | 404.48 | 1817          | 415.58 | 1854          | 426.68 | 1891          | 437.78 |

*For every dollar paid over \$2,000, the tax to be deducted is 30 cents.*

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

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