



2021/06

International Companies (Removal of Tax Exemption) Transitional Provisions Regulations 2021

Sir Tom J. Marsters, KBE

Queen's Representative

Order in Executive Council

At Avarua, Rarotonga this 1st day of June 2021

Present:

His Excellency the Queen's Representative in Executive Council

Pursuant to section 7 of the International Companies (Removal of Tax Exemption) Amendment Act 2019, His Excellency the Queen's Representative, acting on the advice and with the consent of the Executive Council, makes the following regulations—

Contents

1	Title	1
2	Commencement and duration	1
3	Interpretation	1
4	Transitional provision	2

Regulations

- 1 Title**
These regulations are the International Companies (Removal of Tax Exemption) Transitional Provisions Regulations 2021.
- 2 Commencement and duration**
 - (1) These regulations are deemed to have come into force on 18 December 2019.
 - (2) These regulations cease to apply at the close of 31 December 2021.
- 3 Interpretation**
 - (1) In these regulations, unless the context otherwise requires,—

amendment Act means the International Companies (Removal of Tax Exemption) Amendment Act 2019, which came into force on 18 December 2019

applicable company means—

- (a) an international company incorporated or registered before 18 December 2019; or
- (b) a foreign company registered before 18 December 2019

principal Act means the International Companies Act 1981-82.

- (2) Any term or expression that is defined in the principal Act and used, but not defined, in these regulations has the same meaning as in the principal Act.

4 Transitional provision

- (1) This regulation modifies the application of section 7(2) of the amendment Act.
- (2) The principal Act applies to applicable companies as if the amendment Act had not come into force.
- (3) However, the principal Act, as amended by the amendment Act, applies to a transaction undertaken by an applicable company to the extent of income derived from—
 - (a) any intellectual property assets acquired by the applicable company on or after 18 December 2019; and
 - (b) any new activities commenced by the applicable company on or after 18 December 2019.
- (4) In subclause 3(b), **activities** means activities that will or are intended to generate revenue for the company.

JJ Harold Browne

Clerk of the Executive Council

These regulations are administered by the Financial Supervisory Commission.

These regulations were made on the _____ day of _____ 2021.