



## ANALYSIS

## Title

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|---|---|
| 1. Short Title and Commencement                     | 5. Imposition and Collection of Sales Tax |
| 2. Act to be read with The Sales Tax Ordinance 1961 | 6. Sales Tax Declarations                 |
| 3. Interpretation                                   | 7. Sales Value                            |
| 4. Administration                                   | 8. Collector and Comptroller              |
|   | 9. First Schedule                         |

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 1966, No. 13

An Act to amend The Sales Tax Ordinance 1961.

(7 October 1966)

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

1. Short Title and Commencement - This Act may be cited as The Sales Tax Ordinance Amendment Act 1966, and shall be deemed to have come into force on the first day of October 1966.

2. Act to be read with the Sales Tax Ordinance 1961 - This Act shall be read together with and be deemed part of The Sales Tax Ordinance 1961. (in this Act referred to as the Ordinance).

3. Interpretation - Section 2 of the Ordinance is hereby amended by omitting "Collector" and its meaning and substituting in its place:-

"Comptroller" means the Comptroller of Customs or other principal officer of Customs on the island in the Cook Islands where sales tax is payable on any goods in accordance with the provisions of this Ordinance.

4. Administration - (1) Section 3 of the Ordinance is hereby repealed and the following new section substituted in its place:

**3. Ordinance to be administered by the Comptroller**

Subject to the control of the Minister of Customs this Ordinance shall be administered by the Comptroller who shall have and may exercise in respect of the collection of sales tax the like powers and authorities (so far as same are applicable and with all the necessary modifications) as if sales tax were duty under the Customs Act 1913".

(2) Section 4 of the Ordinance is hereby amended by omitting the words "Minister of Customs" and substituting the word "Comptroller" in its place.

**5. Imposition and collection of Sales Tax - Section 5** of the Ordinance is hereby amended by omitting the words "at the rate of five per cent of the sale value of the goods in respect of which it is payable" and by inserting:

(a) after the word "goods" the following words:-

"at the several rates";

(b) after the word "on" the words "the sale value or quantity or weight of".

**6. Sales Tax Declarations** - (1) Subsection (1) of Section 8 of the Ordinance is hereby repealed and the following new subsection substituted in its place:-

" (1) The declaration by the importer of taxable goods on the Import Entry for home consumption shall serve the purpose of a Sales Tax Declaration".

(2) Subsection (2) of Section 8 of the Ordinance is hereby amended by omitting the words "any Sales Tax" and substituting the word "a".

(3) Subsection (3) of Section 8 of the Ordinance is hereby repealed.

**7. Sale Value** - Section 11 of the Ordinance is hereby repealed and the following new section inserted in its place:-

"11. For the purposes of Part II of this Ordinance the sale value of goods shall be determined in accordance with the following provisions:-

(a) In the case of goods imported the sale value shall be the sum of the following amounts, namely:

- (i) the equivalent in New Zealand currency of the value of these goods for Customs duty, such value being ascertained in accordance with the Customs Act in force at the time of importation.
- (ii) the amount of customs duty (if any) payable on these goods.
- (b) Notwithstanding the foregoing provisions, the First Schedule to this Ordinance may prescribe that sales tax on any class or kind of goods shall be payable on a basis other than that of sale value, that is, at a specified rate for a specified quantity or weight."

8. Collector and Comptroller - The Ordinance is hereby further amended by omitting the word "Collector" from any place that it occurs in the Ordinance and substituting the word "Comptroller".

9. First Schedule - The First Schedule to the Ordinance is hereby repealed and the following new schedule inserted in its place:-

" FIRST SCHEDULE

<u>Item</u>	<u>Rate of Sales Tax and Basis</u>
Biscuits and cakes (excluding cabin bread)	5% of Sale Value
Chocolate, not in powder form	10% " " "
Cigarettes	8/- per 1,000
Beverages - non alcoholic (aerated waters) } Including the cost of } containers but not of crates }	5% of Sale Value
- beer	1/- per liquid gallon
- spirituous beverages (excluding } cordials and bitters) }	20/- per proof gallon
- wines, all kinds	5/- per liquid gallon
Confectionery, including medicated confectionery frozen ice blocks and ice cream	10% of Sale Value
Fabrics, woven (including pile fabrics) or knitted or net of material which consists of more than 50% of silk, wool, nylon, tetron, dacron, terylene or other man made fibres but excluding mosquito netting, medicated plasters or bandages or dressing, fishing nets, tarpaulins, canvas and sail cloth	10% of Sale Value

<u>Item</u>	<u>Rate of Sales Tax and Basis</u>
Hops	30% of Sale Value
House ornaments made principally of plastic, earthenware, china, glass or metal	20% " " "
Jewellery whether containing precious metal or not but excluding jewellery made principally of shell or of organic material such as seeds, etc.	20% " " "
Motor cycles, including power cycles, having engines with a total piston displacement of up to 125 c.c.	15% " " "
Motor cycles having engines with a total piston displacement of over 125 c.c.	20% " " "
Motor vehicles (excepting tractors) and trucks or pick-ups with a cargo rating of less than 15 cwt, assembled or unassembled	15% " " "
Parts and accessories for motor cars, power cycles and motor cycles and for trucks or pickups with a cargo rating of less than 15 cwt.	15% " " "
Photographic goods (cameras, accessories, unexposed films, projectors, photographic paper, frames and equipment for developing and printing photographs)	15% " " "
Radio broadcast receivers where the sale value is less than £25 and parts thereof	10% " " "
Radio broadcast receivers where the sale value is more than £25 and parts thereof	15% " " "
Radio broadcast receivers incorporating a gramophone and parts thereof	15% " " "
Record players, tape recorders, parts for same, gramophone records and recording tapes	15% " " "
Toilet preparations excluding soap	15% " " "
Watches and watchstraps	20% " " "