

S.P. 16/17



ST. HELENA

GOVERNMENT OF SAINT HELENA

A BILL FOR AN ORDINANCE

THE INCOME TAX (AMENDMENT) BILL, 2017

Laid Upon the Table, 30th March 2017.



ST HELENA

A BILL

FOR

AN ORDINANCE

to amend the Income Tax Ordinance, 2012, to introduce an annual cap for the investment tax credit; and for purposes connected and incidental thereto.

Enacted by the Governor of St Helena with the advice and consent of the Legislative Council of St Helena.

Short title, commencement and interpretation

1. (1) This Ordinance may be cited as the Income Tax (Amendment) Ordinance, 2017, and comes into force on 1 April 2017.

(2) In this Ordinance, “the principal Ordinance” means the Income Tax Ordinance, 2012.

Definition of “depreciable asset”

2. Section 2 of the Income Tax Ordinance, 2012, is amended by inserting the following definition after the definition of “Court”:

“**depreciable asset**” means any tangible movable property or structural improvement to immovable property that—

- (a) has a useful life exceeding one year and cost £100 or more; and
- (b) is likely to lose value as a result of normal wear and tear, or obsolescence; and
- (c) is owned by the person and used wholly or partly by that person in deriving taxable income.”.

Investment tax credit

3. Section 11 of the principal Ordinance is amended—

(a) by inserting the words “Subject to subsection (1A),” at the beginning of subsection (1);

(b) by inserting the following subsections after subsection (1):

“(1A)The amount of the credit allowable under subsection (1) during any year is limited to £30,000 and any excess of the credit not so allowed during that year is allowable as a credit under subsection (1) in the

- immediately succeeding tax year or years, subject to the limit allowable under this subsection in each such succeeding year.”;
- (c) by inserting the expression “or (1A)” after the words “subsection (1)” in subsection (2).

EXPLANATORY NOTE

(This note is not part of the Ordinance)

This Ordinance amends the Income Tax Ordinance, 2012, to introduce an annual cap on the investment tax credit. The proposed amendment limits the tax credit to £30,000 in a tax year. Any excess of the tax credit which exceeds that limit may be applied as a credit in the immediately succeeding tax year or years, subject to the £30,000 limit per tax year.