

THE OFFICIAL GAZETTE 16TH JANUARY, 2017
LEGAL SUPPLEMENT — A



ACT NO. 5 OF 2017

CORPORATION TAX (AMENDMENT) ACT 2017

I assent.



David Granger,
President.

January 16, 2017

ARRANGEMENT OF SECTIONS

SECTION

1. Short title and commencement.
- 1A. Amendment of section 2 of the Principal Act.
2. Amendment of section 10 of the Principal Act.
3. Amendment of section 10A of the Principal Act.

AN ACT to amend the Corporation Tax Act.

A.D. 2017

Enacted by the Parliament of Guyana:-

Short title and commencement.
Cap 81:03

1. (1) This Act, which amends the Corporation Tax Act, may be cited as the Corporation Tax (Amendment) Act 2017.

(2) The amendments to the Corporation Tax Act shall come into operation with respect to and from the year of income commencing on the 1st January, 2017.

Amendment of section 2 of the Principal Act.

1A. Section 2 of the Principal Act is amended by the insertion of the following definitions in the appropriate alphabetical order –

“commercial activity” means an activity carried out by a company trading in goods not manufactured by it, and includes an activity of a commission agency, a telecommunications company, a body corporate licensed to carry on banking business in Guyana, and an insurance company carrying on in Guyana insurance business, other than long-term insurance, as defined in section 2 of the Insurance Act;

“non-commercial activity” means anything not covered in the definition of “commercial activity;”’.

Amendment of section 10 of the Principal Act.

2. Section 10 of the Principal Act is amended as follows –

(a) by the renumbering of section “10. ” as “10. (1)”;

(b) in paragraph (c), by the substitution for the words “thirty percent” of the words “twenty seven and one half percent”;

(c) by the insertion of the following subsection –

A.D. 2017]

CORPORATION TAX (AMENDMENT) ACT 2017

[No. 5

“(2)(a) There shall be a dual rate of corporation tax for companies that are engaged in commercial and non-commercial activities.

(b) For companies that are engaged in commercial and non-commercial activities, the non-commercial activity of the company shall be taxed at the rate of twenty-seven and one half per cent and the commercial activity of the company shall be taxed at the rate of forty per cent.”.

Amendment of
section 10A of
the Principal
Act.

3. Section 10A of the Principal Act is amended by the substitution for subsection (1) of the following –

“(1) Where for any year of assessment the corporation tax payable by a commercial company is less than two percent of the turnover of the commercial company in the year of income immediately preceding that year of assessment, then notwithstanding anything contained in sections 4 and 10, and subject to this section, for the aforesaid year of assessment there shall be levied on, and paid by the commercial company a corporation tax (in this Act referred to as “minimum tax”) at the rate of two percent of the turnover of the commercial company in such year of income:

Provided that when proven to the satisfaction of the Commissioner-General that the rate of two percent of the turnover of the commercial company or of a company engaging in commercial activities, exceeds the rate of tax under section 10(1)(b), the corporation tax payable shall be limited to the corporation tax assessed and payable under section 10(1)(b).”.

Passed by the National Assembly on the 5th January, 2017.



S.E. Isaacs,

Clerk of the National Assembly.

(BILL No. 29/2016)