

Bill No. 6 of 1968

PUBLISHED 12TH MARCH, 1968

Bill No. 6 of 1968.

DEVELOPMENT TAX BILL, 1968.

Arrangement of Sections

Section

1. Short title and commencement.
2. Interpretation.
3. Imposition of development tax.
4. Application of Income Tax Ordinance.
5. No double taxation relief to be allowed rateably or by way of tax credit.
6. Development tax to be applied for works of development.

A BILL

Intituled

AN ACT to impose a Development Tax on companies.

Enacted by the Parliament of Guyana:—

A.D. 1968

1. This Act may be cited as the Development Tax Act, 1968, and shall be deemed to have come into operation on the 1st January, 1968.

Short title and commencement.

2. In this Act —

Interpretation.

“development tax” means tax imposed by section 3 of this Act;

“income tax” means tax chargeable or charged (as the case may require) in accordance with the Income Tax Ordinance, apart from this Act, for such year of assessment as has commenced on the 1st January, 1968;

Cap. 299.

“the Income Tax Ordinance” includes instruments having for the time being the force of law under the Income Tax Ordinance.

3. (1) There shall be payable, upon the chargeable income of every company which may be charged with income tax, a tax at the rate of four and one-half *per centum* of the said income.

(2) For the purposes of subsection (1) of this section, the chargeable income of a company shall be deemed to be such amount as shall be ascertained in the like manner as if it were the amount upon which the company is to be charged with income tax.

Imposition of development tax.

4. Without prejudice to subsection (2) of section 3 of this Act, the provisions of the Income Tax Ordinance shall, in so far as they are applicable with reference to a company, apply *mutatis mutandis* in relation to development tax as they apply in relation to income tax.

Application of Income Tax Ordinance.

5. Notwithstanding anything hereinbefore provided, no provision of the Income Tax Ordinance for the purposes of any double taxation relief to be calculated according to any rate for the abatement of income tax, or to be afforded by way of the allowance against income tax of any credit, on account of income taxation under the law of any

No double taxation relief to be allowed rateably or by way of tax credit.

territory or State, other than Guyana, shall apply in relation to development tax or be applied for the purposes thereof.

6. All amounts of development tax which accrue to the Consolidated Fund shall be applied for the purpose of works of development in Guyana and accordingly the Consolidated Fund Capital Account shall take account of these amounts as contributions mentioned in paragraph (a) of section 2 of the Development Ordinance, 1954.

Development tax to be applied for works of development.

No. 44 of 1954.

EXPLANATORY MEMORANDUM

This Bill seeks to impose for development purposes a tax of four and one-half per centum on companies' chargeable income, ascertained in like manner as for income tax purposes, and otherwise to apply the provisions of the Income Tax Ordinance to the levy of the tax.

NEVILLE J. BISSEMBER,
Minister of Finance.

(Bill No. 6/1968)
(G. 660).