

PARLIAMENT OFFICE,
Public Buildings,
Georgetown,
Guyana.

92—03—30.

The following Bill which will be introduced in the National Assembly is published for general information.

M. B. Henry,
Acting Clerk of the National Assembly.



GUYANA

BILL No. 8 of 1992

FISCAL ENACTMENTS (AMENDMENT) BILL 1992

ARRANGEMENT OF SECTIONS

SECTION

1. Short title and commencement.
2. Amendment of section 8 of the Income Tax Act.
3. Amendment of section 13 of the Income Tax Act.
4. Amendment of section 20 of the Income Tax Act.

5. Repeal of section 56 of the Income Tax Act.
6. Amendment of section 60 of the Income Tax Act.
7. Amendment of section 63 of the Income Tax Act.
8. Amendment of section 64 of the Income Tax Act.
9. Repeal of section 100 of the Income Tax Act.
10. Amendment of section 109 of the Income Tax Act.
11. Amendment of section 110 of the Income Tax Act.
12. Amendment of section 111 of the Income Tax Act.
13. Amendment of section 2 of the Capital Gains Tax Act.
14. Amendment of section 16 of the Capital Gains Tax Act.
15. Amendment of section 17 of the Capital Gains Tax Act.
16. Amendment of section 21 of the Capital Gains Tax Act.
17. Amendment of section 22 of the Capital Gains Tax Act.
18. Amendment of section 23 of the Capital Gains Tax Act.
19. Amendment of section 24 of the Capital Gains Tax Act.
20. Amendment of section 27 of the Capital Gains Tax Act.
21. Amendment of section 9 of the Property Tax Act.
22. Amendment of section 10 of the Property Tax Act.
23. Amendment of section 12 of the Property Tax Act.
24. Amendment of section 14 of the Property Tax Act.
25. Amendment of First Schedule to the Property Tax Act.
26. Amendment of Second Schedule to the Property Tax Act.

A BILL

Intituled

AN ACT to amend the Income Tax Act, the Capital Gains Tax Act and the Property Tax Act.

A. D. 1992

Enacted by the Parliament of Guyana:—

Short title
and
commence-
ment.
Cap. 81:01
Cap. 81:20
Cap. 81:21

1.(1) This Act, which amends the Income Tax Act, the Capital Gains Tax Act and the Property Tax Act, may be cited as the Fiscal Enactments (Amendment) Act, 1992.

(2) Sections 2(a), 4, 6, 13, 20, 22, 23, 24, 25 and 26 shall come into operation with respect to and from the year of assessment commencing on 1st January, 1993.

(3) Section 2(b) shall come into operation with respect to and from the year of assessment commencing on 1st January, 1992.

(4) Sections 5 and 9 shall come into operation on 1st April, 1992.

2. Section 8 of the Income Tax Act is hereby amended as follows —

Amend-
ment
of section
8 of the In-
come Tax
Act.
Cap. 81:01

(a) by the substitution for the words “\$48,000 per annum” wherever those words occur of the words “\$72,000 per annum”;

(b) by the substitution in subsection (3) for the words "person who is" of the words "person who is resident in Guyana and who is".

3. Section 13 of the Income Tax Act is hereby amended by the substitution for paragraph (z) of the following paragraph —

Amendment of section 13 of the Income Tax Act.

"(Z) pensions, gratuities paid in lieu of pensions to Government employees in respect of contracts of employment or service, and annuities paid out of superannuation funds."

4. Section 20 of the Income Tax Act is hereby amended by the substitution for the words forty-eight thousand dollars".

Amendment of section 20 of the Income Tax Act.

5. Section 56 of the Income Tax Act is hereby repealed.

Repeal of section 56 of the Income Tax Act.

6. Section 60(1) (a) of the Income Tax Act is hereby amended by the substitution for the words forty-eight thousand dollars" of the words "seventy-two thousand dollars".

Amendment of section 60 of the Income Tax Act.

7. Section 63(3) of the Income Tax Act is hereby amended by the substitution for the words "one thousand five hundred dollars" of the words "fifteen thousand dollars".

Amendment of section 63 of the Income Tax Act.

8. Section 64(2) of the Income Tax Act is hereby amended by the substitution for the words "one thousand five hundred dollars" of the words "fifteen thousand dollars".

Amendment of section 64 of the Income Tax Act.

9. Section 100 of the Income Tax Act is hereby repealed.

Repeal of section 100 of the Income Tax Act.

10. Section 109 of the Income Tax Act is hereby amended by the substitution for the words "one thousand five hundred dollars" of the words "fifteen thousand dollars".

Amendment of section 109 of the Income Tax Act.

11. Section 110(1) of the Income Tax Act is hereby amended by the substitution for the words "one thousand five hundred dollars" of the words "fifteen thousand dollars".

Amendment of section 110 of the Income Tax Act.

12. Section 111(1) of the Income Tax Act is hereby amended by the substitution for the words "one thousand five hundred dollars" of the words "fifteen thousand dollars".

Amendment of section 111 of the Income Tax Act.

Amendment
of section
2 of the
Capital
Gains Tax
Act.
Cap. 81:20

13. Section 2 of the Capital Gains Tax Act is hereby amended as follows —

- (a) by the substitution in the definition of "capital gain" in paragraphs (a), (c) and (d) and the proviso for the words "1st January, 1981" of the words "1st January, 1991";
- (b) by the substitution in the definition of "capital loss" in paragraphs (a), (b) and (c) and the proviso for the words "1st January, 1981" of the words "1st January, 1991".

Amendment
of section
16 of the
Capital
Gains Tax
Act.

14. Section 16 of the Capital Gains Tax Act is hereby amended by the substitution for the words "one thousand dollars" of the words "ten thousand dollars".

Amendment
of section
17 of the
Capital
Gains Tax
Act.

15. Section 17 of the Capital Gains Tax Act is hereby amended by the substitution for the words "one thousand dollars" of the words "ten thousand dollars".

Amendment
of section
21 of the
Capital
Gains Tax
Act.

16. Section 21(1) of the Capital Gains Tax Act is hereby amended by the substitution for the words "forty-eight dollars" of the words "five hundred dollars".

Amendment
of section
22 of the
Capital
Gains Tax
Act.

17. Section 22 of the Capital Gains Tax Act is hereby amended by the substitution for the words "five hundred dollars" of the words "five thousand dollars".

Amendment
of section
23 of the
Capital
Gains Tax
Act.

18. Section 23(1) of the Capital Gains Tax Act is hereby amended by the substitution for the words "one thousand dollars" of the words "ten thousand dollars".

Amendment
of section
24 of the
Capital
Gains Tax
Act.

19. Section 24(1) of the Capital Gains Tax Act is hereby amended by the substitution for the words "one thousand dollars" of the words "ten thousand dollars".

Amendment
of section
27 of the
Capital
Gains Tax
Act.

20. Section 27 of the Capital Gains Tax Act is hereby amended by the deletion of subsection (2).

Amendment
of section
9 of the
Property
Tax Act.

21. Section 9(1) of the Property Tax Act is hereby amended as follows-

Cap. 81:21

- (a) by the substitution in the proviso for the words "section 26(1) of the

Income Tax Act” of the words “section 7(p) of the Corporation Tax Act”;

- (b) by the substitution for the marginal note “C. 81:01” of the marginal note “C. 81:03”.

22. Section 10(b) of the Property Tax Act is hereby amended as follows —

Amendment of section 10 of the Property Tax Act.

- (a) by the substitution in paragraphs (iii), (iv) and (v) for the words “ten thousand dollars” of the words “one hundred thousand dollars”;
- (b) by the substitution in paragraph (vi) for the words “five thousand dollars” of the words “fifty thousand dollars”.

23. Section 12(1) (a) of the Property Tax Act is hereby amended by the substitution for the words “1st January, 1981” wherever the words occur of the words “1st January, 1991”.

Amendment of section 12 of the Property Tax Act.

24. Section 14(2) of the Property Tax Act is hereby amended as follows —

Amendment of section 14 of the Property Tax Act. Cap. 81:21

- (a) by the substitution in paragraph (a) for the words “one hundred thousand dollars” of the words “five hundred thousand dollars”;
- (b) by the substitution in paragraph (b) for the words “one hundred thousand dollars of the words “five hundred thousand dollars”;
- (c) by the insertion paragraph (c) immediately after the word “assessment” of the words “and which on the last day of the year preceding the year of assessment, possessed net property of the value of five hundred thousand dollars or more”.

25. The First Schedule to the Property Tax Act is repealed and the following First Schedule substituted therefor —

Amendment of First Schedule to the Property Tax Act.

“FIRST SCHEDULE
RATES OF PROPERTY TAX

	Rate Per Cent
(1) For a person other than a company: \$5,000,000 of net property	On the first ... Nil

For every dollar of the next \$5,000,000
of net property ... ½

For every dollar of the remainder of
net property ... ¾

(2) For a company:

On the first \$500,000 of next property Nil

For every dollar of the next \$5,000,000 of
net property ½

For every dollar of the remainder of
net property ¾

Amendment
of Second
Schedule
to the
Property
Tax Act.

26. The Second Schedule to the Property Tax Act is hereby amended by the deletion in column 1 and 2 of the words "100 Recovery of tax from persons leaving Guyana".

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Income Tax Act, Cap. 81:01, the Capital Gains Tax, Cap. 81:20 and the Property Tax Act, Cap. 81:21.

Clause 2 of the Bill seeks to amend section 8 of the Income Tax Act, Cap. 81:01 to exempt from taxation interest earned on savings account of any person who is sixty years or over or who is incapacitated by illness or infirmity and whose income from all sources does not exceed \$72,000 per annum. Section 8 also provides that subsection (1) shall apply to a person who is resident in Guyana.

Clause 3 of the Bill seeks to amend section 13 of the Income Tax Act, Cap. 81:01, to exempt from tax, pensions, gratuities paid in lieu of pensions to Government employees in respect of contracts of employment or service, and annuities paid out of superannuation funds.

Clause 4 of the Bill seeks to amend section 20 of the Income Tax Act, Cap. 81:01 to provide that in ascertaining the chargeable income of an individual there shall be allowed a deduction of seventy-two thousand dollars or one third of that individual's total income whichever is greater.

Clause 5 of the Bill seeks to repeal section 56 of the Income Tax Act, Cap. 81:01, which imposes a tax on the surrender of a life insurance policy.

Clause 9 of the Bill seeks to repeal section 100 of the Income Tax Act, Cap. 81:01, which provides for the payment or the making of arrangements for the payment of tax and the issuing of a tax leaving certificate to any person who is leaving Guyana.

Clauses 7, 8, 10, 11 and 12 seek to increase certain penalties for offences under the Income Tax Act, Cap. 81:01.

Clause 13 of the Bill seeks to amend the definitions of capital gain and capital loss in section 2 of the Capital Gains Tax Act, Cap. 81:20 by changing the date of the market value of property in both definitions to 1st January, 1991.

Clauses 14, 15, 16, 17, 18 and 19 seek to increase certain penalties for offences under the Capital Gains Tax Act, Cap. 81:20.

Clause 22 of the Bill seeks to amend section 10 of the Property Tax Act, Cap. 81:21, by increasing the maximum value of certain property which can be excluded from the net property of an individual for any year of assessment.

Clause 23 of the Bill seeks to amend section 12 of the Property Tax Act, Cap. 81:21, by changing the date to 1st January, 1991 which is the date at which the value of any property is taken in account in the computation of net property.

Clause 25 of the Bill seeks to repeal the First Schedule of the Property Tax Act, Cap. 81:21 and to substitute a new First Schedule with revised rates of property Tax.

Carl B. Greenidge,
Minister of Finance.