

THE ASSETS TAX (SPECIFIED BODIES) ACT

Acts
33 of 2002,
31 of 2005.

[2nd January, 2003.]

1. This Act may be cited as the Assets Tax (Specified Bodies) Act. Short title.

2.—(1) In this Act, unless the context otherwise requires— Interpretation.

“Commissioner” means the Commissioner of Inland Revenue;

“specified body” means—

(a) a company within the meaning of the Companies Act other than a company in respect of which a licence has been granted pursuant to section 16 of that Act by the Minister responsible for the administration of companies;

(b) a society registered under the Industrial and Provident Societies Act;

(c) such other body as may be prescribed by order subject to negative resolution.

3.—(1) Subject to the provisions of this section and sections 4 and 5, every specified body shall make and submit to the Commissioner an annual declaration of the value of its assets and shall in relation thereto pay the tax prescribed in the Schedule. Annual declaration of assets.
Schedule.

(2) The declaration required by subsection (1) shall—

(a) subject to subsection (3), be submitted on or before the 1st day of September in each year (hereinafter referred to as the relevant date);

(b) be in such form and accompanied by such documents as the Commissioner may prescribe by notice published in the *Gazette*;

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- (c) subject to subsection (3), be based upon the value of assets of the specified body as indicated by the balance sheet and profit and loss account as relates to the assessment of income tax for the year of assessment immediately prior to the relevant date or the date authorized pursuant to subsection (3).

(3) The Commissioner may, on the application of any specified body, allow the body to submit its declaration for any year specified in the application, on or before such date as the Commissioner may authorize in writing.

(4) The Commissioner may act in accordance with subsection (5) if he is satisfied that—

- (a) any specified body is not carrying on any business which would necessitate the preparation of a balance sheet or profit and loss account; or
- (b) having regard to the date on which a specified body started operations, a balance sheet and profit and loss account referred to in subsection (2) (c) are not available.

(5) Subject to subsection (6), the Commissioner may in writing authorize the body—

- (a) to base its declaration for the purposes of this section on an estimate of the value of its assets at the end of the year preceding that in respect of which the declaration is required and pay the prescribed tax; or
- (b) to submit a declaration that, by reason of the absence of assets at the end of the preceding year, a valuation cannot be made as required by this section.

(6) An authorization referred to in subsection (5) may be subject to a requirement that the estimate or declaration, as the case may be, shall be verified at such later time as the Commissioner may specify in such manner and by reference to such documents as may be so specified.

(7) Where any specified body fails to furnish to the Commissioner any declaration or the prescribed tax in accordance with this section, he may issue the prescribed notice to the specified body requiring that body to submit the declaration and pay the tax within the period specified in the notice.

(8) Where it appears to the Commissioner of Taxpayer Audit and Assessment that the value of assets of any specified body shown in any declaration is incorrect, he may, at any time not later than the end of five years next after the end of the year in which the tax is due and payable, serve on that specified body a notice stating that for the purposes of this section, the value of assets of that body and the tax payable thereon shall, subject to sections 4 and 5, be assessed at the amounts respectively specified in the notice; and, subject as aforesaid, the tax shall be paid in accordance with that assessment.

(9) In this section and section 4 “the value of assets” of any specified body means, subject to subsection (10), the aggregate of—

- (a) the amount which the Commissioner is satisfied, on the certificate of an auditor of the specified body, is the value (as shown in the books of account) of that body’s assets as follows—
 - (i) any estate or interest in land;
 - (ii) equipment, furniture, machinery, plant and other movable property;

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(iii) any other interest, right or benefit;

(b) the amount of—

- (i) outstanding balances on loans and advances made by the specified body;
- (ii) the specified body's cash in hand and in bank deposit;
- (iii) outstanding balances due to the specified body by sundry debtors other than those specified in sub-paragraph (i).

(10) If the Commissioner of Taxpayer Audit and Assessment is of the opinion that the value of any asset of a specified body shown in the books of account is not correct, he may substitute therefor such amount as he estimates to be the correct value, not exceeding the amount which he is satisfied is the amount expended by the specified body in acquiring the asset.

Minister may
amend rate of
tax by order.
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Schedule.

3A. The Minister may, from time to time, by order, subject to affirmative resolution of the House of Representatives, amend or vary the rate of any tax specified in the Schedule.

Objections to
assessments.

4.—(1) Where a specified body disputes the amount of the assessed value of assets or the tax payable thereon specified in any notice served pursuant to section 3(8), that body may apply to the Commissioner of Taxpayer Audit and Assessment, by notice of objection in writing, to review and revise that amount.

(2) An application pursuant to subsection (1) shall state precisely the grounds of objection and shall be made within thirty days from the date of the service of the notice, so, however, that, the Commissioner, upon being satisfied that owing to some reasonable cause the specified body was prevented from making the application within that period, shall extend the period as may be reasonable in the circumstances.