

INCOME TAX BILL 2023

Explanatory Memorandum

1. This Bill is promoted by Dr Alex Allinson, M.H.K. on behalf of the Treasury.
2. *Clause 1* contains the short title of the Bill.
3. *Clause 2* confirms the Income Tax (Substance Requirements and Related Provisions) Order 2023 (SD No. 2023/0011), which was approved by Tynwald on 19 January 2023 and thereupon commenced. Confirmation of this Order (which, technically, is a “temporary taxation order”: see section 115A(1) of the *Income Tax Act 1970*) is needed so as to prevent the Order from ceasing to have effect upon the effluxion of 24 months after it was approved by Tynwald (see subsections (3), (4), (5) and (9)(a) of the said section 115A). Should the Act resulting from this Bill be granted the Royal Assent, the Order will thereupon become a permanent order.
4. The Bill is not expected to have any financial or human resource implications.
5. In the opinion of the member moving the Bill, its provisions are compatible with the Convention rights within the meaning of the *Human Rights Act 2001*.



Ellan Vannin

INCOME TAX BILL 2023

- 1 **A BILL** to confirm the Income Tax (Substance Requirements and Related
2 Provisions) Order 2023.

BE IT ENACTED by the King's Most Excellent Majesty, by and with the advice and consent of the Council and Keys in Tynwald assembled, and by the authority of the same, as follows:—

3 **1 Short title**

4 The short title of this Act is the Income Tax Act 2023.

5 **2 Confirmation of Order**

6 The Income Tax (Substance Requirements and Related Provisions) Order 2023¹
7 is hereby confirmed².

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¹ SD No. 2023/0011

² As required by section 115A(3), (4), (5) and (9)(b) of the *Income Tax Act 1970* for the purpose of ensuring that the Order does not cease to have effect.

IN THE KEYS

INCOME TAX BILL 2023

A **BILL** to confirm the Income Tax (Substance Requirements and Related Provisions) Order 2023.

Leave to introduce in the House of Keys given by the Council of Ministers on 23 February 2023.

DR ALLINSON

7 MARCH 2023