



Isle of Man

Ellan Vannin

AT 12 of 1995

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Received Royal Assent: 18 October 1995
Passed: 19 October 1995
Commenced: 6 April 1996

AN ACT to amend the Income Tax Acts; and for connected purposes.

EDITORIAL NOTE: The text of this Act does not reflect the changes in terminology made in relation to the institutions of the European Union by the European Union (Changes in Terminology) Order 2012 (SD 606/12), commenced 1 November 2012. These changes will be incorporated when other amendments are made to the Act.

1 Mariners' foreign earnings

- (1) [Inserts section 2L in the *Income Tax Act 1970*.]
- (2) This section shall have effect in respect of the tax year commencing on 6 April 1993 and subsequent years.

2 Capital expenditure

- (1) and (2) [Amend section 29 of the *Income Tax Act 1970*.]
- (3) [Amends Schedule 2 to the *Income Tax Act 1980*.]

3 Expenses defrayed from remuneration

- (1) (1) [Inserts section 31B in the *Income Tax Act 1970*.]
- (2) (2) This section shall have effect in respect of such income tax year and subsequent years as the Treasury may by order appoint.

4 Compensation schemes

- (1) [Inserts section 31C in the *Income Tax Act 1970*.]
- (2) This section shall have effect in respect of the tax year commencing on 6 April 1994 and subsequent years.

5 **[Repealed]**¹

6 **Nursing expenses**

(1) [Inserts section 39B in the *Income Tax Act 1970*.]

(2) [Repeals sections 3 and 4 of the *Income Tax Etc. (Amendment) Act 1985*.]

7 **[Inserts sections 48C and 48D in the *Income Tax Act 1970*.]**

8 **[Repealed]**²

9 **[Amends section 52 of the *Income Tax Act 1970*.]**

10 **Relief in respect of repayment of certain tax credits**

(1) [Inserts section 55A in the *Income Tax Act 1970*.]

(2) This section shall have effect in respect of the tax year commencing on 6 April 1994 and subsequent years.

11 **[Amends section 61D of the *Income Tax Act 1970*.]**

12 **[Inserts section 119B and Schedule 2A in the *Income Tax Act 1970*.]**

13 **[Inserts section 119C in the *Income Tax Act 1970*.]**

14 **[Inserts sections 11A, 11B and 11C in the *Income Tax (Retirement Benefit Schemes) Act 1978*.]**

15 **Temporary taxation orders**

(1) Subject to the following provisions of this section, the Treasury may by order make such provision as may be made in an Act of Tynwald for —

(a) the assessment, charge, collection, administration and recovery of income tax;

(aa) the implementation in the Island of, or compliance with, —

(i) any agreement or arrangement made in respect of taxation between the Government and the government of any other country or territory;

(ii) any international obligation in respect of taxation that extends to or affects the Island;

(iii) any regulation, directive, code or standard in respect of taxation that is made issued or established by the European Community, any international organisation or

any multilateral body, where such regulation, directive, code or standard does not fall within sub-paragraph (i) or (ii);³

- (ab) without prejudicing the generality of paragraph (aa), the exchange of information and documents with any other country or territory for the purpose of implementing or complying with any agreement, arrangement, obligation, regulation, directive, code or standard referred to in that paragraph;⁴
 - (ac) authorising the making of regulations and other instruments for the purpose of implementing or complying with any agreement, arrangement, obligation, regulation, directive, code or standard referred to in paragraph (aa);⁵
 - (ad) authorising the making of regulations for the purpose of giving effect to a document which provides for the modification of such an agreement, arrangement, obligation, regulation, directive, code or standard;⁶
 - (b) the whole or partial exemption from income tax;
 - (ba) the provision, calculation, credit (as an allowance against income tax or otherwise), payment and administration of taxation credits (including, but not limited to, personal allowance credit within the meaning of section 1 of the *Income Tax Act 2003*);⁷
 - (c) the variation or abolition of any existing tax or taxation credit; and⁸
 - (d) such consequential amendment of any enactment as may be necessary.
- (2) An order under this section shall not come into operation unless it is approved by Tynwald.
- (3) Subject to subsections (4) and (5), an order under this section shall, for the period expiring at the end of 24 months after the date on which the order is approved by Tynwald, have statutory effect as if contained in an Act of Tynwald.
- (4) An order under this section shall cease to have effect unless within the next 12 months after the day on which the order is approved by Tynwald –
- (a) a Bill confirming the order is read a second time by the House of Keys, or
 - (b) a Bill is amended by the House of Keys so as to include provision confirming the order.
- (5) An order under this section shall also cease to have effect if –
- (a) the provisions of the Bill confirming it are rejected during the passage of the Bill through the House of Keys, or

- (b) an Act comes into operation which confirms or revokes the order;
or
 - (c) the period specified in subsection (3) expires.
- (6) When during any year of assessment an order has been made under this section, the Treasury may not in that year again make the same order or an order having the same effect.

16 Interpretation

In this Act, “the 1970 Act” means the *Income Tax Act 1970*.

17 Short title, construction and commencement

- (1) This Act may be cited as the Income Tax Act 1995 and the Income Tax Acts 1970 to 1994 and this Act may together be cited as the Income Tax Acts 1970 to 1995.
- (2) This Act shall be construed as one with the *Income Tax Act 1970*.
- (3) Except as specifically provided in this Act, this Act shall have effect in relation to such tax year and years subsequent to that year as the Treasury may by order appoint and different years may be so appointed for different provisions and for different purposes.⁹

ENDNOTES

Table of Legislation History

Legislation	Year and No	Commencement

Table of Renumbered Provisions

Original	Current

Table of Endnote References

¹ S 5 repealed by Income Tax Act 2009 Sch 2.

² S 8 repealed by Income Tax (Pensions) Act 2008 S 17(2) effective income tax year commencing 6/4/2008 and subsequent years.

³ Para (aa) inserted by Income Tax (Amendment) Act 2004 s 13.

⁴ Para (ab) inserted by Income Tax (Amendment) Act 2004 s 13.

⁵ Para (ac) inserted by Income Tax (Amendment) Act 2006 s 15 effective 1/1/2005.

⁶ Para (ad) inserted by Income Tax (Amendment) Act 2006 s 15 effective 1/1/2005.

⁷ Para (ba) inserted by Income Tax Act 2009 s 12(a) effective in respect of the income tax year commencing on 6/4/2009 and subsequent years.

⁸ Para (c) amended by Income Tax Act 2009 s 12(b) effective in respect of the income tax year commencing on 6/4/2009 and subsequent years.

⁹ ADO: Except as specifically provided in this Act, the Act shall have effect in relation to the tax year commencing 6/4/1996 and subsequent years (GC55/96).