
ENERGY PERFORMANCE (DEDUCTIONS) RULES 2018

**Subsidiary
2018/117**

Subsidiary Legislation made under s.25.

ENERGY PERFORMANCE (DEDUCTIONS) RULES 2018

(LN. 2018/117)

Commencement **1.7.2015**

ARRANGEMENT OF RULES.

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In exercise of the powers conferred upon him by section 25 of the Income Tax Act 2010, and all other enabling powers, the Minister has made the following Rules—

Short title.

1. These Rules may be cited as the Energy Performance (Deductions) Rules 2018.

Commencement.

2. These Rules shall be deemed to have come into operation on 1 July 2015.

Interpretation.

3. In these Rules—

“Energy Performance Certificate” has the meaning given in regulation 2(1) of the Environment (Energy Performance of Buildings) Regulations 2012;

“energy efficiency rating” means a rating from A+(most efficient) to G (least efficient) set out in the Energy Performance Certificate indicating the energy efficiency of a property.

Deduction.

4.(1) A person shall be entitled to claim a deduction in computing his or her income chargeable to tax where that person—

- (a) has an interest in a property in Gibraltar (the “Property”);
- (b) has incurred expenditure in improving the energy efficiency rating of the Property;
- (c) has been issued with an Energy Performance Certificate in respect of the Property; and
- (d) has been issued with a certification letter in accordance with rule 7.

(2) The deduction which may be claimed shall be equal to the amount obtained by applying to the total expenditure which the Commissioner is satisfied has been incurred in improving the energy efficiency rating of the Property, the percentage rate set out in the Schedule which corresponds to

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the rating obtained in the Energy Performance Certificate in respect of the Property.

(3) The cost of obtaining an Energy Performance Certificate shall be included in the total expenditure incurred for the purposes of subrule (2).

Double deduction.

5.(1) Subject to subrule (2), any deduction for expenditure given in accordance with these Rules shall be in addition to any deduction, relief or allowance which may be given in accordance with any other provision of the Income Tax Act 2010 in respect of the same expenditure.

(2) A person shall not be entitled to claim a deduction under these Rules if that person has claimed a deduction in respect of the same expenditure under the Income Tax (Deduction of Approved Expenditure on Premises in Tax Deductible Property Zone) Rules 2010.

Joint claimants.

6.(1) Where in any year of assessment two or more persons are entitled to claim a deduction under these Rules in respect of the same expenditure and-

- (a) those persons have agreed on the apportionment of the deduction between them; and
- (b) the persons have provided to the Commissioner a written copy of their agreement to that apportionment,

the deduction permitted under these Rules shall be apportioned between them in such manner as they have agreed.

(2) Where in any year of assessment two or more persons are entitled to claim a deduction under these Rules in respect of the same expenditure and have failed to agree on the apportionment of that deduction between them, then the Commissioner shall determine the apportionment of the deduction between them taking into consideration all the relevant facts, and, in particular, the amount expended by each person as a proportion of the total expenditure in respect of which the deduction is claimed.

Certification of approved works.

7.(1) No deduction shall be permitted under these Rules unless the claim for the deduction is accompanied by a certification letter issued by the Department of the Environment confirming -

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- (a) that the expenditure in respect of which the deduction is claimed has been made; and
- (b) that as a result the energy efficiency rating of the Property has improved; and
- (c) the new energy efficiency rating of the Property.

(2) No certification letter may be issued under subrule (1) unless such evidence of the expenditure incurred in respect of which the deduction is claimed is submitted to the satisfaction of the Department of the Environment.

(3) The Department of the Environment may require any information as is, in its opinion, necessary to issue the certification letter and may request further information as it considers necessary.

Claims for deductions.

8. Any claim for a deduction under these Rules shall be made in writing to the Commissioner within 2 years of the end of the year of assessment or accounting period, as the case may be, in respect of which the deduction is claimed.

SCHEDULE

Rule 4

Rate to be applied for tax deduction

ENERGY EFFICIENCY RATING	RATE FOR TAX DEDUCTION
A +	70%
A	55%
B	40%
C	25%
D	15%
E	10%
F	5%
G	0%