

**SECOND SUPPLEMENT TO THE GIBRALTAR
GAZETTE**

No. 2,658 of 27th FEBRUARY, 1992.

LEGAL NOTICE NO. 22 OF 1992.

INCOME TAX ORDINANCE.

**RATES OF TAX (RELOCATED EXECUTIVE POSSESSING
SPECIALIST SKILLS) RULES 1992.**

ARRANGEMENT OF RULES.

Rule

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7. Amendment to Income Tax (Pay As You Earn) Regulations 1989.
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9. Amendment to Income Tax (Allowances, Deductions and Exemptions)

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In exercise of the powers conferred on him by section 37 of the Income Tax Ordinance and of all other enabling powers, the Governor has made the following rules-

Title and commencement.

1. These rules may be cited as the Rates of Tax (Relocated Executive Possessing Specialist Skills) Rules 1992 and shall come into effect, on such day as the Governor may by notice in the Gazette appoint.

Relocated Executive possessing specialist skills.

2. A company may apply to the Financial and Development Secretary and may be issued with a certificate designating an individual employed by that company as a Relocated Executive possessing specialist skills where-

(a) the company-

(i) is a Gibraltar 1992 Company as defined by rule 3 of the Gibraltar 1992 Company Rules 1991; or

(ii) is a qualifying company operating in the area of the New Harbours designated as duty free; or

(iii) is a qualifying company in respect of which the Financial and Development Secretary is satisfied that the company

(aa) was incorporated after the 1st day of January 1992;

(bb) has a physical presence in Gibraltar;

- (cc) carries on a new business venture not in operation in Gibraltar before the 1st day of January 1992; and
 - (iv) in the case of a company falling within paragraph (i), (ii), or (iii) commences operations in Gibraltar within a period no earlier than twelve months before the date of the commencement of the certificate;
- (b) the individual is one in respect of whom the Financial and Development Secretary is satisfied that-
- (i) he possesses skills essential to the operation of the company by whom the application is made; and
 - (ii) those skills are not available in Gibraltar; and
 - (iii) he has not been employed in or from within Gibraltar in the two years preceding the application for the certificate; and
 - (iv) he has available to him for his exclusive use for the period of the certificate, residential accommodation in Gibraltar approved for this purpose adequate for himself and any and all of his family in Gibraltar dependent upon him.

Terms of certificate.

3.(1) A certificate issued in accordance with sub-rule (2) shall specify-

- (a) the individual in respect of whom it is issued by name;
- (b) a period not exceeding five years for which it may be in effect:

Provided that where a certificate has been issued for a shorter period than five years it may, in the absolute discretion of the Financial and Development Secretary, be renewed for a period or periods such that the aggregate of any periods for which it is in effect shall not exceed five years.

(2) If during the period for which a certificate has been issued the Financial and Development Secretary is of the opinion that the requirements of rule 2 are no longer met, he may withdraw the certificate issued under that rule and it shall cease to have effect in respect of the assessment year in which it is withdrawn.

Payment of fee.

4. The application by a company for a certificate under rule 2 shall be accompanied by a non-refundable fee of £500.

Rate of tax.

5.(1) Tax of £10,000 per annum shall be charged and shall be payable in twelve equal monthly instalments on the taxable income of an individual in respect of whom a certificate has been issued in accordance with the provisions of rule 2 and is in effect:

Provided that the amount of £10,000 shall be reduced by one twelfth for each calendar month in the year of assessment for which, in respect of that individual, such a certificate is not in effect.

(2) For the purposes of this rule "taxable income" means the assessable income of whatever kind resulting from the employment specified in the certificate issued in accordance with rule 2, together with any income of an individual in respect of whom a certificate is in operation which falls within section 6(3), unless that income is received in Gibraltar.

Amendment to Rates of Tax Rules 1989.

6. The Rates of Tax Rules 1989 are amended in rule 2-

- (a) by omitting the fullstop at the end of paragraph (e) and substituting therefor a comma and the word "and";
- (b) by inserting the following new paragraph-

"(f) a Relocated Executive possessing specialist skills in respect of whom a certificate has been issued under rule 2 of the Rates of Tax (relocated Executive Possessing Specialist Skills) Rules 1992."

Amendment to Income Tax (Pay As You Earn) Regulations 1989.

7. Regulation 2 of the Income Tax (Pay As You Earn) Regulations 1989 is amended in the definition of "employee" by inserting after the word "person" the words "other than an individual in respect of whom a certificate issued under the provisions of rule 2 of the Rates of Tax (Relocated Executive Possessing Specialist Skills) Rules 1992 is in effect,".

Amendment to Home Purchase (Deduction) Rules 1989.

8. Rule 2 of the Home Purchase (Deduction) Rules 1989 is amended in sub-rule (1) by inserting after the word "Gibraltar" where it appears for the first time a comma and the words "other than an individual in respect of whom a certificate issued under rule 2 of the Rates of Tax (Relocated Executive Possessing Specialist Skills) Rules 1992 is in effect,".

Amendment to Income Tax (Allowances, Deductions and Exemptions) Rules 1992.

9. Rule 25 of the Income Tax (Allowances, Deductions and Exemptions) Rules 1992 is amended in sub-rule (1) by inserting after the word "individual" the words "other than an individual in respect of whom a certificate issued under rule 2 of the Rates of Tax (Relocated Executive Possessing Specialist Skills) Rules 1992 is in effect,".

Dated this 27th day of February, 1992.

By Command,
A. CARTER,
Deputy Governor.