

**SECOND SUPPLEMENT TO THE GIBRALTAR  
GAZETTE**

**No. 2,796 of 1st September, 1994.**

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LEGAL NOTICE No. 88 OF 1994.

**INCOME TAX ORDINANCE.**

**INCOME TAX (ALLOWANCES, DEDUCTIONS AND  
EXEMPTIONS) (AMENDMENT) (NO. 2) RULES, 1994.**

In exercise of the powers conferred on him by section 37A 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 Income Tax (Allowances, Deductions and Exemptions) (Amendment) (No. 2) Rules 1994 and shall take effect on the date specified in each rule in respect of that rule.

**Amendment to rule 3.**

2.(1) Rule 3 of the Income Tax (Allowances, Deductions and Exemptions) Rules 1992 (hereinafter called "the principal Rules") is amended in subrule (34) by omitting the comma after the word "commissioner" together with the words "after consultation with the Director of Labour and Social Security,".

(2) Sub-rule (1) shall be deemed to have come into effect on the 1st day of January, 1993.

**Amendment to rule 7.**

3.(1) Rule 7 of the principal Rules is amended in sub-rule (1) by omitting the proviso thereto and substituting therefor the following proviso -

"Provided that -

- (i) where a deduction is claimed under paragraphs (b) or (c) and the payments are made on or after the 1st day of July 1994 by virtue of an order or an agreement, the amount of the deduction shall not exceed £1350; and

(ii) the deduction allowed under this sub-rule shall be reduced by one twelfth for each complete calendar month that the individual is not married and resident in Gibraltar (or, in the case of an individual who has paid alimony or maintenance, who is not resident in Gibraltar) during the year of assessment."

(2) Sub-rule (1) shall come into effect on the 1st day of July, 1995.

**Amendment to rule 8.**

4.(1) Rule 8 of the principal Rules is amended in sub-rule (4) by inserting after the words "actually paid" the expression "up to a maximum of £500".

(2) Sub-rule (1) shall come into effect on the 1st day of July 1995.

**Amendment to rule 21.**

5.(1) Rule 21 of the principal Rules is amended in sub-rule (1) by -

- (a) omitting the word "makes" and substituting therefor the words "prior to 1st July 1993 made";
- (b) omitting the fullstop at the end of paragraph (b) of the proviso and substituting therefor a semi-colon;
- (c) inserting in the proviso, after paragraph (b) the following new paragraph -

"(c)an individual who prior to the dissolution on 31 st December 1993 of the Social Insurance (Pensions) Fund was entitled, by virtue of contributions to that Fund, to claim a deduction under this section or who would have been entitled by virtue of contributions to that Fund if that fund had not been dissolved, shall be entitled to claim a deduction of the amount equivalent to that to which he would have been entitled by virtue of the provisions of this sub-section had that Fund not been dissolved."

(2) Sub-rule (1) shall be deemed to have come into effect on the 1st day of July, 1993.

**New rule 27A.**

6.(1) The principal Rules are amended by inserting after rule 27 the following new rule -

**"Relief in respect of tax paid elsewhere on consultancy services.**

27A. Where, in accordance with section 66(1), tax is to be deducted and paid to the Commissioner, and where the agreement referred to in that section is to be performed elsewhere than in Gibraltar, the Commissioner may, in his discretion and if he is satisfied that the payment will bear income tax or tax of a similar nature in the country where the agreement has been made or is to be performed, relieve the person responsible for making the payment from making the deduction required by section 66(2)."

(2) Sub-rule (1) shall be deemed to have come into effect on the 1st day of July, 1993.

**Amendment to rule 31.**

7.(1) Rule 31 of the principal Rules is amended in sub-rule (1) by omitting the expression "and 46" and substituting therefor the expression "46 and 66 (3)".

(2) Sub-rule (1) shall be deemed to have come into effect on the 1st day of July, 1993.

Dated this 1st day of September, 1994.

By Command,

A. CARTER,

Deputy Governor.