

**SECOND SUPPLEMENT TO THE GIBRALTAR  
GAZETTE**

No. 3503 of 24 November, 2005

---

---

LEGAL NOTICE NO. 158 OF 2005.

**INCOME TAX ORDINANCE**

**INCOME TAX (ALLOWANCES, DEDUCTIONS AND  
EXEMPTIONS) (AMENDMENT NO.2) RULES 2005**

In exercise of the powers conferred on him by section 37A of the Income Tax Ordinance 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 2005.

**Amendment of the Income Tax (Allowances, Deductions and Exemptions) Rules 1992.**

2.(1) The Income Tax (Allowances, Deductions and Exemptions) Rules 1992 are amended in accordance with the provisions of this rule.

(2) Rule 3(27) shall be replaced in its entirety with the following—

“(27) the income received by any trust or beneficiary under the trust where—

- (i) the trust is settled by or on behalf of a non-resident person or an individual who has been issued a certificate under Rule 6 of the Qualifying (Category 2) Individuals Rules 2004 which remains valid at the time the trust is settled; and
- (ii) except in the case of a trust settled before the 1<sup>st</sup> day of July 1983, the terms of the trust expressly exclude either—

- (aa) residents of Gibraltar (as defined in section 2(1) of the Companies (Taxation and Concessions) Ordinance); or
- (bb) residents of Gibraltar (as defined in section 2(1) of the Companies (Taxation and Concessions) Ordinance) other than an individual who has been issued a certificate under Rule 6 of the Qualifying (Category 2) Individuals Rules 2004 which remains valid at the time the trust is settled or an individual whose income is subject to an election under Rule 11 of those Rules at the time the trust is settled,

as persons who either are, or may be, under any discretionary power of the trustee under the terms of the trust, a beneficiary or a member of any class or classes of beneficiaries of the trust.”.

Dated this 24th day of November, 2005.

By Command,  
P R BARTON,  
Deputy Governor.