

**SECOND SUPPLEMENT TO THE GIBRALTAR  
GAZETTE  
No. 3866 of 28 July, 2011**

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LEGAL NOTICE NO. 117 OF 2011.

**INCOME TAX ACT 2010**

**INCOME TAX (ALLOWANCES, DEDUCTIONS AND  
EXEMPTIONS) (AMENDMENT) RULES 2011**

In exercise of the powers conferred on me by section 25, of the Income Tax Act 2010, and all other enabling powers, I have made the following Rules –

**Title and commencement.**

1. These Rules may be cited Income Tax (Allowances, Deductions and Exemptions) (Amendment) Rules 2011 and shall be deemed to have come into operation on 1 July 2011.

**Amendments to the Income Tax (Allowances, Deductions and Exemptions) Rules 1992.**

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

(2) After rule 6B insert the following rule –

**“Tax credit for Individuals in Allowances Based System.**

6C.(1) An individual to whom rule 6 of these Rules applies shall be entitled to a tax credit under this rule in respect of a year of assessment.

(2) The tax credit shall not exceed £300 or 2 per cent of the liability to tax of the individual in respect of the year of assessment, whichever is the greater.

(3) In the case of an individual to whom the Income Tax (Pay As You Earn) Regulations, 1989 applies the tax credit shall be

calculated in accordance with the tax-tables made by the Commissioner under those Regulations.

(4) The tax credit given under this rule shall be reduced by one twelfth for each complete calendar month that the individual is not resident in Gibraltar during the year of assessment.”

Dated 28th July, 2011.

P.R. CARUANA,  
Minister with responsibility for public finance.

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#### **EXPLANATORY MEMORANDUM**

These Rules amend the Income Tax (Allowances, Deductions and Exemptions) Rules 1992 by providing for the introduction of a new tax credit for all taxpayers in the Allowances Based System being the greater of £300 or 2% of the annual tax liability.

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