

# SECOND SUPPLEMENT TO THE GIBRALTAR GAZETTE

No. 4976 GIBRALTAR Thursday 7th July 2022

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LEGAL NOTICE NO. 171 OF 2022

## INCOME TAX ACT 2010

### INCOME TAX (ALLOWANCES, DEDUCTIONS AND EXEMPTIONS) (AMENDMENT) RULES 2022

In exercise of the powers conferred on him by sections 24, 25 and 72 of the Income Tax Act 2010, and all other enabling powers, the Minister has made the following Rules—

#### **Title.**

1. These Rules may be cited as the Income Tax (Allowances, Deductions and Exemptions) (Amendment) Rules 2022.

#### **Commencement.**

2. These Rules come into operation on day of publication.

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

3. For rule 16E of the Income Tax (Allowances, Deductions and Exemptions) Rules, 1992 substitute—

#### **“Special tax treatment of an individual on low income.**

16E.(1) An individual who has income of £11,450 or less shall not be subject to tax.

- (2) Subject to subrule (3), an individual who has income of more than £11,450 but does not exceed £19,975, shall have his assessed liability to tax reduced by way of relief (reduced taper relief) determined by the formula —

$$T \text{ (reduced taper relief)} = T0 - [0.2 \times (I - L)]$$

Where —

T is the reduced taper relief available on the amount or value of assessable income

I is the amount or value of assessable income

L is the lowest figure of the applicable income range

T0 is the full taper relief available on the lowest figure of the income range.

- (3) For the purposes of subrule (2)-
- (a) where an individual has income exceeding £11,450 but does not exceed £14,867 (income range), L is £11,451 and T0 is £683.40;
  - (b) where an individual has income exceeding £17,500 but does not exceed £17,860 (income range), L is £17,501 and T0 is £72.00;
  - (c) where an individual has income exceeding £18,500 but does not exceed £18,898 (income range), L is £18,501 and T0 is £79.60;
  - (d) where an individual has income exceeding £19,500 but does not exceed £19,975 (income range), L is £19,501 and T0 is £95.00.
- (4) The Commissioner may issue tax tables in such form and manner as is appropriate for the purposes of determining the reduced taper relief calculated under the formula in subrule (2).”.

Dated: 7<sup>th</sup> July 2022.

F R PICARDO,  
Minister with responsibility for Public Finance.

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### **EXPLANATORY MEMORANDUM**

These rules amend the Income Tax (Allowances, Deductions & Exemptions) Rules, 1992 in accordance with 2022 Budget Measures.