

**SECOND SUPPLEMENT TO THE GIBRALTAR
GAZETTE**

No. 3827 of 23rd December, 2010

LEGAL NOTICE NO. 187 OF 2010.

RATES OF TAX (AMENDMENT) RULES 2010

In exercise of the powers conferred on me by section 37 of the Income Tax Act, and all other enabling powers, I have made the following Rules—

Title and commencement.

1.(1) These Rules may be cited as the Rates of Tax (Amendment) Rules 2010 and shall come into operation on 1 January 2011.

2.(1) The Rates of Tax Rules 1989 are amended in accordance with the provisions of this rule.

(2) Rule 6 is revoked and replace with the following rule—

“Corporation tax.

6.(1) Except where otherwise expressly provided and subject to the provisions of this rule, the charge to taxation on the taxable income of any company (“Corporation Tax”) shall be at the rate of 10 per cent in relation to an accounting period.

(2) Corporation Tax shall be charged on the taxable income of a company where that company is a utility at the higher rate of 20 per cent in relation to an accounting period.

(3) Corporation Tax shall be charged on the taxable income of a company at the rate of 20 per cent in relation to an accounting period where in the opinion of the Commissioner that company has abused its dominant market position in respect of any such accounting period to which the Commissioner believes the abuse has taken place.”.

(3) Rule 7 is revoked and replace with the following rule—

“Building Society tax.

- 7.(1) Except where otherwise expressly provided and subject to the provisions of this rule, the charge to taxation on the taxable income of any building society shall be at the rate of 10 per cent in relation to an accounting period.
- (2) In this rule “building society” shall be construed in accordance with the provisions of the Banking (Extension to Building Societies) Act as amended from time to time.”.

Dated 23rd December, 2010.

P R CARUANA,
Minister with responsibility for public finance.

EXPLANATORY MEMORANDUM

These Rules amend the Rates of Tax Rules by providing for a tax rate of 10% for building societies, 10% corporation tax rate for companies and 20% corporation tax rate for companies in relation to specified utilities and companies that abuse a dominant market position.

