

**SECOND SUPPLEMENT TO THE GIBRALTAR
GAZETTE
No. 4099 of 24 July, 2014**

LEGAL NOTICE NO. 128 OF 2014.

INCOME TAX ACT 2010

**INCOME TAX (DEDUCTION OF APPROVED EXPENDITURE ON
PREMISES IN TAX DEDUCTIBLE PROPERTY ZONE)
(AMENDMENT) RULES 2014**

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 as the Income Tax (Deduction of Approved Expenditure on Premises in Tax Deductible Property Zone) (Amendment) Rules 2014 and shall be deemed to have come into operation on 1 July 2013.

Amendments.

2. The Income Tax (Deduction of Approved Expenditure on Premises in Tax Deductible Property Zone) Rules, 2010 are amended in accordance with the provisions of this rule.

(2) For rule 3(1) and (2) substitute the following subrules—

“(1) Subject to the provisions of these Rules, any person (“the claimant” who has interest in a building within a tax deductible property zone and who has incurred expenditure certified as approved in accordance with these Rules, being expenditure on—

- (a) the painting, decorating, repair or enhancement of the frontage of that building; or
- (b) matters ancillary to paragraph (a);
- (c) the painting, decorating, repair or enhancement of the roof of that building; or

(d) matters ancillary to paragraph (c);

shall be entitled to claim a deduction in computing his income chargeable to tax.

(2) The deduction which the claimant shall be entitled to claim by virtue of this rule shall be an amount equal to the total expenditure which—

(a) the Commissioner is satisfied has been incurred in the painting, decorating, repair or enhancement of the frontage or on ancillary matters thereto;

(b) the Commissioner is satisfied has been incurred in the painting, decorating, repair or enhancement of the roof or on ancillary matters thereto; and

(c) has been certified as approved in accordance with rule.”.

(3) For rule 6(3) substitute the following subrule—

“(3) The Town Planner shall not issue a notice under subrule (2) unless he is satisfied that—

(a) the proposed expenditure is in respect of—

(i) the painting, decorating, repair or enhancement of the frontage of premises in a tax deductible property zone, or

(ii) matters ancillary to subparagraph (i),

(iii) the painting, decorating, repair or enhancement of the roof of premises in a tax deductible property zone, or

(iv) matters ancillary to subparagraph (iii);

(b) the proposed works are reasonable in the circumstances of the case; and

- (c) the proposed works contribute to the overall enhancement of the tax deductible property zone;
- (d) the proposed expenditure is reasonable in the circumstances of the case; and
- (e) any planning permission required in respect of the proposed works has been granted by the Development and Planning Commission pursuant to the Town Planning Act 1999.”.

Dated 24th July, 2014.

F R PICARDO,
Minister with responsibility for public finance.

EXPLANATORY MEMORANDUM

The amendments to the Income Tax (Deduction of Approved Expenditure on Premises in Tax Deductible Property Zone) Rules on eligibility to claim a deduction in respect of facades is extended to include the painting, decoration, repair or enhancement to the roof of any premises that fall within the ambit of the Rules.

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