

Nru. 27

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MALTA

KAMRA TAD-DEPUTATI

ABBOZZ ta' Liġi mressaq mill-Onorevoli Leo Brincat, M.P., Ministru tal-Finanzi u Kummerċ u moqri għall-Ewwel darba fis-Seduta tat-2 ta' Ġunju, 1997.

ATT biex jemenda l-Att ta' l-1994 dwar l-Amministrazzjoni tat-Taxxa.

RICHARD J. CAUCHI

Skrivan tal-Kamra tad-Deputati

HOUSE OF REPRESENTATIVES

A BILL introduced by the Honourable Leo Brincat, M.P., Minister of Finance and Commerce and read the First time at the Sitting of the 2nd June, 1997.

AN ACT to amend the Income Tax Management Act, 1994.

RICHARD J. CAUCHI

Clerk of the House of Representatives

ABBOZZ TA' LIĠI imsejjah

ATT biex jemenda l-Att ta' l-1994 dwar l-Amministrazzjoni tat-Taxxa.

IL-PRESIDENT, bil-parir u l-kunsens tal-Kamra tad-Deputati, imlaqqgħa f'dan il-Parlament, u bl-awtorità ta' l-istess, hareġ b'liġi dan li ġej:-

1. (1) Dan l-Att jista' jissejjah l-Att ta' l-1997 li jemenda l-Att dwar l-Amministrazzjoni tat-Taxxa, u għandu jinqara u jiftiehem haġa waħda ma' l-Att ta' l-1994 dwar l-Amministrazzjoni tat-Taxxa, hawnhekk iżjed 'il quddiem jissejjah "l-Att prinċipali".

Titolu fil-qosor u bidu fis-sehh.

Att Nru. XVIII ta' l-1994.

(2) Id-dispożizzjonijiet tal-paragrafu (a) ta' l-artikolu 6 u tal-paragrafu (ċ) ta' l-artikolu 7 ta' dan l-Att għandhom jibdew isehħu fl-1 ta' Jannar, 1998.

(3) Id-dispożizzjonijiet l-oħra ta' dan l-Att għandhom jitqiesu li bdew isehħu fl-1 ta' Jannar, 1997.

2. Fl-artikolu 3 ta' l-Att prinċipali minflok il-kliem "uffiċjal li jkun qed iservi" għandhom jidhlu l-kliem "persuna li tkun qed isservi".

Emenda ta' l-artikolu 3 ta' l-Att prinċipali.

3. Minnufih wara s-subartikolu (7) ta' l-artikolu 4 ta' l-Att prinċipali, għandu jżied dan is-subartikolu ġdid li ġej:

Emenda ta' l-artikolu 4 ta' l-Att prinċipali.

“(8) Ebda haġa f’dan l-artikolu m’ghandha żżomm il-konsenja ta’ dokumenti mill-Kummissarju skond ma hemm fl-artikolu 19A ta’ dan l-Att.”

Żieda ta’ l-artikolu 19A ġdid ma’ l-Att prinċipali.

4. Minnufih wara l-artikolu 19 ta’ l-Att prinċipali, ghandu jiżdid dan l-artikolu ġdid li ġej:

“Dokumenti li jkun fihom prova ta’ xi att jew nuqqas minn detentur ta’ *warrant*. Kap. 281

19A. (1) F’dan l-artikolu:

(a) “detentur ta’ *warrant*” tfisser persuna jew ditta li tkun fil-pussess ta’ *warrant* maħruġ bis-saħha ta’ l-Att dwar il-Professjoni ta’ *l-Accountancy*;

(b) “Bord” tfisser il-Bord ta’ *l-Accountancy* kostitwit bl-artikolu 6 ta’ l-Att dwar il-Professjoni ta’ *l-Accountancy*.

(2) Meta l-Kummissarju jkun tal-fehma li dokument li jkun ġie mogħti lilu jew inkiseb minnu għal xi raġuni li tkun skond l-Att dwar it-Taxxi għas-sena li tiġi minnufih qabel is-sena ta’ stima li tibda fl-1 ta’ Jannar, 1998 u għas-snin sussegwenti, li jkun dokument li għalih jirreferi dan l-artikolu, ikun jikkostitwixxi jew ikun fih prova ta’ xi att jew nuqqas min-naha tad-detentur ta’ *warrant*, u li dak l-att jew nuqqas ikun att jew nuqqas bħalma hu msemmi fis-subparagrafu (i) tal-paragrafu (a) tas-subartikolu (1) ta’ l-artikolu 14 ta’ l-Att dwar il-Professjoni ta’ *l-Accountancy*, huwa għandu jibgħat, bla hsara għad-dispożizzjonijiet l-oħra ta’ dan l-artikolu, kopja ta’ dak id-dokument lill-Bord.

(3) Il-Kummissarju għandu jiċcertifika kull dokument li jibgħat lill-Bord skond ma hemm fis-subartikolu (1) ta’ dan l-artikolu bħala kopja vera ta’ l-original u għandu jibgħat lill-Bord, flimkien ma’ kull dokument bħal dak, dikjarazzjoni li fiha jagħti r-raġunijiet li fuqhom ikun ibbaża l-fehma tiegħu, b’dan illi f’dik id-dikjarazzjoni ma tista’ ssir ebda riferenza għal xi fatt jew ċirkostanza li ma jkunux jirriżultaw minn dawk id-dokumenti.

(4) Il-Bord jista’ juża dokument li jkun irċieva skond id-dispożizzjonijiet ta’ dan l-artikolu bil-ghan ta’ xi inkjesta li l-Bord ikun qed jagħmel bis-saħha ta’ l-Att imsemmi, iżda mhux għal xi għan ieħor.

(5) Dokument li jintbaghat lill-Bord u li jiġi certifikat bhala kopja vera ta' l-original skond dan l-artikolu ghandu jkun ammissibbli bhala prova bhallikieku kien l-original, u l-produzzjoni ta' dak id-dokument m'ghandha taghti setgha lill-ebda qorti jew awtorità sabiex din titlob lill-Kummissarju jipproduci l-original ta' dak id-dokument jew li jixhed dwar dak id-dokument hlief hekk kif jista' jiġi permess taht id-dispożizzjonijiet l-oħra ta' l-Atti dwar it-Taxxi:

Izda l-Kummissarju jista' jenhtieg li jipproduci l-original ta' kull dokument bhal dak f'kull każ meta dan ikun mehtieg sabiex tingieb prova dwar il-kalligrafija jew il-firma jew l-identità tad-detentur ta' *warrant* involut, u bil-ghan li tingieb dik il-prova biss u sakemm l-original imsemmi jitregga' lura lill-Kummissarju malli dan ma jkunx aktar mehtieg ghal dak l-ghan li ghalih ikun gie prodott.

(6) Il-Bord ghandu jgharraf bil-miktub lill-Kummissarju, fi żmien raġonevoli minn meta jkun irċieva dokument li jkun intbaghatlu skond ma hawn f'dan l-artikolu, jekk ikunx qieghed jipproponi li juza dak id-dokument għall-ghan imsemmi fis-subartikolu (4) ta' dan l-artikolu jew le, u jekk le, il-Bord ghandu jiddikjara xi tkun ir-raġuni għad-deċiżjoni tiegħu li ma jagħmilx użu minnu u ghandu jibgħat id-dokument lura lill-Kummissarju.

(7) Fi żmien raġonevoli mill-gheluq ta' inkjesta li fiha jkunu intużaw xi dokumenti li jkunu ġew riferiti lill-Bord skond ma hawn f'dan l-artikolu, il-Bord ghandu jikkonsenja lill-Kummissarju kopja tad-deċiżjoni tiegħu fuq dik l-inkjesta.

(8) Ebda haġa f'dan l-artikolu m'ghandha tinftiehem bhala:

(a) li taghti setgha lill-Bord li jitlob xi tagħrif jew dokumenti minghand il-Kummissarju jew li l-Bord xort'oħra jkollu aċċess għal xi dokumenti jew tagħrif iehor li jkollu l-Kummissarju;

(b) li torbot lill-Kummissarju li jagħti xiehda jew xi spjegazzjoni dwar dawk id-dokumenti li huwa jkun għadda lill-Bord;

(ċ) li torbot lill-Kummissarju biex imexxi xi investigazzjoni jew jagħmel xi rapport fuq l-imġieba ta' xi detentur ta' *warrant*.

(9) Dawk id-dokumenti li dan l-artikolu jirreferi għalihom huma:

(a) kull rapport jew ċertifikazzjoni ffirmati minn detentur ta' *warrant*;

(b) kull *record*, ktieb, kont jew komputazzjoni, jew xi estratt minnhom, li dwarhom ikunu saru xi rapport jew ċertifikazzjoni kif hemm imsemmi fil-paragrafu (a) ta' dan is-subartikolu:

Iżda dokument imsemmi f'dan il-paragrafu m'għandux jitqies bhala dokument li għalih japplika dan l-artikolu kemm-il darba dan ma jintbagħatx lill-Bord flimkien ma' dak ir-rapport jew dik iċ-ċertifikazzjoni.”.

Emenda ta' l-artikolu 23 ta' l-Att prinċipali.

5. L-artikolu 23 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) minflok is-subartikolu (1) tiegħu, għandu jidhol dan is-subartikolu ġdid li ġej:

“(1) Meta xi persuna thallas xi *income* taxxabli taht il-paragrafu (b) jew (d) tas-subartikolu (1) ta' l-artikolu 4 ta' l-Att dwar it-Taxxa fuq l-*Income*, hi għandha, fil-hin tal-hlas, jew tnaqqas jew ma tnaqqasx it-taxxa minnu kif jista' jiġi preskritt u b'dak il-mod li jista' jiġi preskritt skond id-dispożizzjonijiet ta' dan is-subartikolu jew skond kull dispożizzjoni ohra ta' l-Att dwar it-Taxxi; u kull taxxa hekk imnaqqsa għandha tintbagħat lill-Kummissarju b'dak il-mod u f'dak iż-żmien li jiġi hekk preskritt.”;

(b) fis-subartikolu (2) tiegħu, minflok il-kliem “ma' dawk id-dettalji li bihom jintgħarfu” għandhom jidhlu l-kliem “ma' dawk id-dettalji, mogħtija fuq dik il-formola xierqa li tiġi provduta jew approvata mill-Kummissarju għal dak l-għan, li bihom jintgħarfu”;

(ċ) fis-subartikolu (3) tiegħu, minflok il-kliem “mat-taxxa tal-persuna li tirċievi l-*income* għas-sena ta' stima li tiġi wara dik li matulha jkun sar it-tnaqqis,” għandhom jidhlu l-kliem “mat-taxxa tal-persuna li dwarha ssir stima fuq l-*income* korrispondenti għas-sena ta' stima li tiġi wara dik li matulha jkun sar it-tnaqqis relattiv.”;

(d) fis-subartikolu (4) tiegħu, minflok il-kliem “xi regoli magħmula skond is-subartikolu (1) ta’ dan l-artikolu” għandhom jidhlu l-kliem “xi regoli msemmija fis-subartikolu (1) ta’ dan l-artikolu”;

(e) minnufih wara s-subartikolu (8) tiegħu għandu jizjed dan is-subartikolu ġdid li ġej:

“(9) Kull min japplika għalih dan l-artikolu għandu f’kull żmien iżomm *records* xierqa u suffiċjenti hekk kif jistgħu jiġu preskritti u għandu, meta hekk jintalab jagħmel mill-Kummissarju jew minn xi uffiċjal pubbliku minnu għaldaqshekk awtorizzat bil-miktub, jipproduċi għall-ispezzjoni fil-fond ta’ dik il-persuna jew hekk kif xort’ohra ordnat, kull dokumentazzjoni dwar pagi, listi, dokumenti u *records* ohra li jkunu u li jkollhom x’jaqsmu ma’ xi hlas magħmul minnu ta’ *income* li għandu jkun intaxxat skond il-paragrafu (b) jew (d) tas-subartikolu (1) ta’ l-artikolu 4 ta’ l-Att dwar it-Taxxa fuq l-*Income*, ma’ xi tnaqqis ta’ taxxa li jkun sar minnu jew ma’ l-ikkontjar ta’ xi hlas jew tnaqqis ta’ taxxa bħal dawk:

Izda dawk ir-*records* kollha għandhom jinżammu għal żmien ta’ mhux inqas minn disa’ snin wara li jintemmu t-transazzjonijiet, attijiet jew operazzjonijiet li jkollhom x’jaqsmu magħhom u dawn għandhom ikunu dejjem disponibbli sabiex jiġu eżaminati f’kull waqt tul dak iż-żmien.

Iż-żmien ta’ preskrizzjoni msemmi qabel m’għandu f’ebda każ jibda għaddej qabel ma dik il-persuna tkun osservat għal kollox id-dispożizzjonijiet ta’ dan l-artikolu u ta’ kull regola li ssir bis-saħħa tagħhom.”; u

(f) is-subartikolu (9) tiegħu għandu jiġi enumerat mill-ġdid bħala s-subartikolu (10) u għandu jiġi kif ġej:

(i) minflok il-kliem “xi regoli magħmula bis-saħħa tiegħu tehel” għandhom jidhlu l-kliem “xi regoli msemmija fis-subartikolu (1) ta’ dan l-artikolu tehel”;

(ii) fit-tieni proviso li hemm mas-subartikolu, minflok il-kliem “jew ta’ kull regola magħmula bis-saħħa tiegħu.” għandhom jidhlu l-kliem “jew ta’ kull regola msemmija fih.”.

Emenda ta' l-artikolu 48 ta' l-Att principali.

6. L-artikolu 48 ta' l-Att principali ghandu jigi emendat kif ġej:—

(a) minnufih wara l-paragrafu (ċ) tat-tieni proviso li hemm mas-subartikolu (1) tieghu, ghandu jidhol dan li ġej:

“Ghall-ghanijiet ta’ dan il-proviso:

“kumpannija” tinkludi skema ta’ investment kollettiv; u

“dividend” tinkludi kull tqassim magħmul minn skema ta’ investment kollettiv.”; u

(b) fil-paragrafu (ċ) tas-subartikolu (4) tieghu, minflok il-kliem “jew xi profitti mqassmin minn kumpannija b’kummerċ internazzjonali,” ghandhom jidhlu l-kliem “jew fuq il-profitti miksubin u mqassmin minn kumpannija filwaqt li din kienet kumpannija b’kummerċ internazzjonali.”.

7. L-Att dwar it-Taxxa fuq l-*Income* ghandu jigi emendat kif ġej:

(a) fis-subartikolu (9) ta' l-artikolu 5 tieghu, minflok il-kliem “skond il-każ, il-kost bażiku ta’ l-attiv li ghandu jigi kkunsidrat ikun il-kost originali kif kien qabel ma sar l-ewwel trasferiment.” ghandhom jidhlu l-kliem “jew lil persuna oħra, skond il-każ, il-kost bażiku u d-data ta’ l-akkwist ta’ l-attiv li ghandu jigi kkunsidrat ikun il-kost originali u d-data meta jkun ġie akkwistat qabel ma sar it-trasferiment mill-ewwel kumpannija, li tkun kumpannija fi hdan il-grupp.”;

(b) fis-subartikolu (8) ta' l-artikolu 56 tieghu, minflok il-kliem “persuna li tkun qed tirċievi dividend minghand kumpannija b’kummerċ internazzjonali tiġi ntaxxata taxxa”, ghandhom jidhlu l-kliem “persuna li tkun qed tirċievi dividend imqassam minn kumpannija b’kummerċ internazzjonali minn profitti miksubin mill-kumpannija filwaqt li din kienet kumpannija b’kummerċ internazzjonali, tiġi ntaxxata taxxa”; u

(ċ) l-artikolu 59 tagħha ghandu jigi emendat kif ġej:

(i) is-subartikolu (1) tieghu kif inhu bħalissa ghandu jigi enumerat mill-ġdid bhala l-paragrafu (a) tas-subartikolu (1) tieghu;

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ghall-Att dwar it-
Taxxa fuq l-*Income*
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(ii) fil-paragrafu (a) tas-subartikolu (1) tieghu kif enumerat mill-ġdid minflok il-kliem “Kull kumpannija residenti f’Malta tkun intitolata” għandhom jidhlu l-kliem “Kull kumpannija residenti f’Malta, li ma tkunx kumpannija msemmija fil-paragrafu (b) ta’ dan is-subartikolu, tkun intitolata”;

(iii) minnufih wara l-paragrafu (a) kif enumerat mill-ġdid tas-subartikolu (1) tieghu għandu jidhol dan li ġej:

“(b) (i) Kull skema ta’ investiment kollettiv tkun intitolata li tnaqqas mill-ammont ta’ kull dividend, minbarra dividend imhallas minn profitti li jistgħu jitqassmu allokatu lill-kont mhux intaxxat, imhallas lil xi azzjonista, taxxa bir-rata mhallsa, b’dik li għandha tithallas jew b’dik imġarrba mill-iskema ta’ investiment kollettiv, skond liema rata tkun l-oghla, bla ma jittiehed kont tal-ħelsien tat-taxxa doppja, fuq l-*income* li minnu dak id-dividend jithallas:

Iżda meta t-taxxa ma tithallasx, ma għandhiex tithallas jew ma tkunx imġarrba mill-iskema ta’ investiment kollettiv fuq l-*income* kollu li minnu d-dividend jithallas, it-tnaqqis ikun ristrett għal dik il-porzjon mid-dividend li jithallas mill-*income* li fuqu t-taxxa tithallas, għandha tithallas jew tkun imġarrba mill-iskema ta’ investiment kollettiv.

(ii) Id-dispożizzjonijiet ta’ l-artikolu 31 ta’ dan l-Att għandhom ikunu japplikaw għall-*income* ta’ persuna li jitnissel minn dividend imsemmi fis-subparagrafu (i) ta’ dan il-paragrafu.”;

(iv) fis-subartikolu (3) tieghu minflok il-kliem “residenti f’Malta tkun naqqset” għandhom jidhlu l-kliem “residenti f’Malta, li ma tkunx kumpannija minn dawk imsemmija fil-paragrafu (b) tas-subartikolu (1) ta’ dan l-artikolu, tkun naqqset”; u

(v) minflok is-subartikolu (9) tieghu għandu jidhol dan is-subartikolu ġdid li ġej:

“(9) Għall-ghanijiet ta’ dan l-artikolu u ta’ l-artikolu 60 ta’ dan l-Att:

“azzjonista” tinkludi kull persuna li jkollha pussess ta’ *units* fi skema ta’ investiment kollettiv;

“dividend” tinkludi kull tqassim li jsir minn skema ta’ investiment kollettiv;

“helsien tat-taxxa doppja” tfisser kull kreditu jew helsien iehor għal taxxa barranija li jingħataw bis-saħħa ta’ kull helsien stipulat fl-artikolu 74 ta’ dan l-Att;

“kumpannija” tinkludi skema ta’ investiment kollettiv; u

“taxxa li għandha tkun intaxxata lill-kumpannija” tinkludi taxxa mgarrba minn skema ta’ investiment kollettiv, sew bi tnaqqis sew xort’ ohra.”.

Ghanijiet u Raġunijiet

L-ghan ta’ dan l-Abbozz hu sabiex jipprovdi għall-ghoti ta’ dokumenti mill-Kummissarju lill-Bord imwaqqaf taht l-Att dwar il-Professjoni ta’ l-*Accountancy*, li jkun fihom prova ta’ xi att jew nuqqas min-naħa ta’ persuna jew ditta li jkollhom *warrant* mahruġ taht l-imsemmi Att dwar il-Professjoni ta’ l-*Accountancy*, sabiex jagħmel diversi emendi ohra u sabiex jipprovdi dwar hwejjeġ anċillari, li għandhom x’jaqsmu jew li huma konsegwenzjali għal dan.

**A BILL
entitled**

AN ACT to amend the Income Tax Management Act, 1994

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same as follows:-

1. (1) This Act may be cited as the Income Tax Management (Amendment) Act, 1997, and shall be read and construed as one with the Income Tax Management Act, hereinafter referred to as “the principal Act”.

Short title and commencement.

Act No XVIII of 1994.

(2) The provisions of paragraph (a) of section 6 and of paragraph (c) of section 7 of this Act shall come into force on the 1st January, 1998.

(3) The other provisions of this Act shall be deemed to have come into force on the 1st January, 1997.

2. In section 3 of the principal Act for the word “officer” there shall be substituted the word “person”.

Amendment of section 3 of the principal Act.

3. Immediately after subsection (7) of section 4 of the principal Act, there shall be added the following new subsection:

Amendment of section 4 of the principal Act.

“(8) Nothing in this section shall prevent the delivery of documents by the Commissioner in accordance with section 19A of this Act.”

4. Immediately after section 19 of the principal Act, there shall be added the following new section:

Addition of new section 19A to the principal Act

“Documents containing evidence of act or omission by warrant holder. Cap. 281.

19 A. (1) In this section:

(a) “warrant holder” means a person or firm in possession of a warrant issued under the Accountancy Profession Act;

(b) “Board” means the Board constituted under section 6 of the Accountancy Profession Act.

(2) Where the Commissioner is of the opinion that any document which has been produced to or obtained by him for any purpose of the Income Tax Acts for the year immediately preceding the year of assessment beginning on 1st January, 1998 and subsequent years, being a document to which this section refers, constitutes or contains evidence of any act or omission on the part of a warrant holder, and that such act or omission is an act or omission mentioned in subparagraph (i) of paragraph (a) of subsection (1) of section 14 of the Accountancy Profession Act he shall, subject to the other provisions of this section, send a copy of that document to the Board.

(3) The Commissioner shall certify any document he sends to the Board in accordance with subsection (1) hereof as a true copy of the original and shall send to the Board together with any such document a statement giving the reasons for which he has formed his opinion, provided that no reference may be made in any such statement to any facts or circumstances which do not result from the said documents.

(4) The Board may use any document received in accordance with the provisions of this section for the purpose of an enquiry which it may conduct under the said Act but not for any other purpose.

(5) A document sent to the Board and certified as a true copy of the original in accordance with this section shall be admissible as evidence as if it were the original and the production of such document shall not empower any court or authority to request the Commissioner to produce the original of such document or to give evidence on such

document except as may be allowed under the other provisions of the Income Tax Acts:

Provided that the Commissioner may be required to produce the original of any such document in any case where it is necessary to prove the handwriting or the signature or the identity of the warrant holder in question, but only for the purpose of such proof and provided that the said original shall be returned to the Commissioner as soon as it is no longer required for the purpose for which it has been produced.

(6) Within a reasonable time from the receipt of any document sent to it in accordance with this section, the Board shall inform the Commissioner in writing whether it proposes to use the said document for the purpose referred to in subsection (4) hereof or not, and, in the latter case, the Board shall state the reason for its decision not to make such a use and shall return the document to the Commissioner.

(7) Within a reasonable time from the conclusion of any enquiry in which any documents referred to the Board in accordance with this section have been used, the Board shall deliver to the Commissioner a copy of its decision on that enquiry.

(8) Nothing in this section shall be construed as:

(a) empowering the Board to request any information or documents from the Commissioner or to otherwise have access to documents or other information held by the Commissioner;

(b) binding the Commissioner to give evidence or explanations in respect of any documents sent by him to the Board;

(c) binding the Commissioner to conduct any investigation or make reports on the conduct of any warrant holder.

(9) The documents to which this section refers are:

(a) any report or certification signed by a warrant holder;

(b) any records, books, accounts or computations, or any extract thereof, in respect of which a report or certification referred to in paragraph (a) hereof has been made:

Provided that a document referred to in this paragraph shall not be deemed to be a document to which this section refers unless it is sent to the Board together with the said report or certification.”.

Amendment of
section 23 of the
principal Act.

5. Section 23 of the principal Act shall be amended as follows:

(a) for subsection (1) thereof, there shall be substituted the following new subsection:

“(1) Where any person pays income chargeable under paragraph (b) or (d) of subsection (1) of section 4 of the Income Tax Act, he shall, at the time of payment either deduct or not deduct tax therefrom as may be prescribed and in such manner as may be prescribed under the provisions of this subsection or under any other provision of the Income Tax Acts; and any tax so deducted shall be remitted to the Commissioner in such manner and within such period as may be so prescribed.”;

(b) in subsection (2) thereof, for the words “with such details as will enable their proper identification” there shall be substituted the words “with such details, given on the appropriate form provided or approved by the Commissioner for such purpose, as will enable their proper identification”;

(c) in subsection (3) thereof, for the words “the tax charged on a person receiving the income for the year of assessment following that during which the deductions are made,” there shall be substituted the words “the tax charged on the person assessed on the corresponding income for the year of assessment following that during which the relative deductions are made,”;

(d) in subsection (4) thereof, for the words “any rules made under subsection (1) of this section,” there shall be substituted the words “any rules referred to in subsection (1) of this section,”;

(e) immediately after subsection (8) thereof, there shall be added the following new subsection:

“(9) Any person to whom this section applies shall at all times maintain proper and sufficient records as may be

prescribed and shall, whenever called upon to do so by the Commissioner or by any public officer authorised by him in writing, produce for inspection at such person's premises or as otherwise directed, all wage sheets, lists and documents and other records whatsoever relating to any payment made by him of income chargeable under paragraph (b) or (d) of subsection (1) of section 4 of the Income Tax Act, to any tax deduction made therefrom or to the accounting of any such payment or tax deduction:

Provided that all such records shall be retained for a period of not less than nine years after the completion of the transactions, acts or operations to which they relate and shall be made readily available for examination at any time during such period.

The aforesaid period of prescription shall in no case commence before such person has fully complied with the provisions of this section and of any rules made thereunder.”; and

(f) subsection (9) thereof shall be renumbered as subsection (10) and shall be amended as follows:

(i) for the words “any rules made thereunder shall be liable” there shall be substituted the words “any rules referred to in subsection (1) of this section shall be liable”;

(ii) in the second proviso thereto for the words “or of any rules made thereunder.” there shall be substituted the words “or of any rules referred to therein.”.

6. Section 48 of the principal Act shall be amended as follows: Amendment of section 48 of the principal Act.

(a) immediately after paragraph (c) of the second proviso to subsection (1) thereof, there shall be inserted the following:

“For the purposes of this proviso:

“company” includes a collective investment scheme; and

“dividend” includes any distribution made by a collective investment scheme.”; and

(b) in paragraph (c) of subsection (4) thereof, for the words “or any profits distributed by an international trading company,” there shall be substituted the words “or on any profits derived and distributed by a company while it was an international trading company,”.

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7. The Income Tax Act shall be amended as follows:

(a) in subsection (9) of section 5 thereof, for the words “as the case may be, the base cost of the asset that would be considered shall be the original cost existing before the first transfer took place.” there shall be substituted the words “or to another person, as the case may be, the base cost and the date of acquisition of the asset that would be considered shall be the original cost and the date when it was acquired before the transfer from the first company, being the company within the group, took place.”;

(b) in subsection (8) of section 56 thereof, for the words “a person in receipt of a dividend from an international trading company shall be charged to tax”, there shall be substituted the words “a person in receipt of a dividend distributed by an international trading company out of profits derived by the company while it was an international trading company, shall be charged to tax”; and

(c) section 59 thereof shall be amended as follows:

(i) the present subsection (1) thereof shall be renumbered as paragraph (a) of subsection (1) thereof;

(ii) in paragraph (a) of subsection (1) thereof as renumbered for the words “Every company resident in Malta shall” there shall be substituted the words “Every company resident in Malta, not being a company referred to in paragraph (b) of this subsection, shall”;

(iii) immediately after paragraph (a) as renumbered of subsection (1) thereof there shall be inserted the following:

“(b) (i) Every collective investment scheme shall be entitled to deduct from the amount of any dividend, other than a dividend paid out of distributable profits allocated to the untaxed account, paid to any shareholder, a tax at the rate paid, payable or suffered by the collective investment scheme, whichever rate is the highest,

relief of double taxation being left out of account, on the income out of which such dividend is paid:

Provided that where tax is not paid, payable or suffered by the collective investment scheme on the whole income out of which the dividend is paid, the deduction shall be restricted to that portion of the dividend which is paid out of income on which tax is paid, payable or suffered by the collective investment scheme.

(ii) The provisions of section 31 of this Act shall apply to the income of a person arising from a dividend referred to in sub-paragraph (i) of this paragraph.”;

(iv) in subsection (3) thereof for the words “resident in Malta has deducted” there shall be substituted the words “resident in Malta, not being a company referred to in paragraph (b) of subsection (1) of this section, has deducted”;

and

(v) for subsection (9) thereof there shall be substituted the following new subsection:

“(9) For the purposes of this section and of section 60 of this Act:

“company” includes a collective investment scheme;

“dividend” includes any distribution made by a collective investment scheme;

“relief of double taxation” means any credit or other relief for foreign tax allowable by virtue of the reliefs stipulated in section 74 of this Act;

“shareholder” includes any person holding units in a collective investment scheme; and

“tax chargeable on the company” includes tax suffered by a collective investment scheme, whether by deduction or otherwise.”.

Objects and Reasons

The object of this Bill is to make provision for the submission by the Commissioner to the Board constituted under the Accountancy Profession Act of documents containing evidence of any act or omission on the part of a person or firm in possession of a warrant issued under the said Accountancy Profession Act, to make other miscellaneous amendments and to provide for matters ancillary or consequential thereto, or connected therewith.