

I assent,



CUTHBERT M SEBASTIAN

Governor-General.

10th December, 2010.

SAINT CHRISTOPHER AND NEVIS

No. 9 of 2010

AN ACT to amend the Income Tax Act, Cap. 20.22.

[Published 10th December 2010, Extra-Ordinary Gazette No. 59 of 2010.]

BE IT ENACTED by the Queen's Most Excellent Majesty, by and with the advice and consent of the National Assembly of Saint Christopher and Nevis, and by the authority of the same as follows:

1. Short title.

This Act may be cited as the Income Tax (Amendment) Act, 2010.

2. Amendment to the Income Tax Act.

The Income Tax Act, Cap 20.22, is amended by inserting after section 80 thereof the following new sections:

“80A. Companies carrying on business in Nevis to pay corporate tax to the Nevis Island Administration instead of the Federal Government.

(1) A company or branch of a company carrying on business in the Island of Nevis which attract corporate tax under the provisions of this Act shall, on thecoming into force of the provisions of this section, pay the corporate tax to the Nevis Island Administration instead of paying it to the Federal Government.

(2) In computing the corporate tax referred to in subsection (1) only income which is attributable to business activities carried on or raised from Nevis or effectively connected with its business activities in Nevis shall be included in the assessable income.

(3) Subject to the provisions of this Act, there shall, for the purpose of ascertaining the assessable income of a company or branch of a company for a tax year in Nevis, be deducted all outgoings and expenses incurred by the taxpayer during the tax year to the extent that such outgoings or expenses are wholly and exclusively incurred in the production of taxable income in Nevis.

(4) Where the business activities of a company or branch of a company cannot be accounted for separately from the business activities of the head office in Saint Christopher the Comptroller may, by notice in writing, distribute, apportion or allocate amounts to be included in or deducted in computing the assessable income between the company or branch of a company in Nevis as is necessary to reflect the assessable income or tax payable that would have arisen for them if the arrangement had been conducted at arm's length.

(5) The tax collected by the Nevis Island Administration pursuant to the provisions of subsection (1) shall be paid into the Nevis Island Administration Consolidated Fund.

80B. Companies carrying on business in Saint Christopher but based in Nevis to pay corporate tax to Federal Government.

(1) A company which is based (registered) in Nevis but carrying on business in Saint Christopher which attract corporate tax under the provisions of this Act shall, on the coming into force of the provisions of this section, pay the corporate tax to the Federal Government instead of paying it to the Nevis Island Administration.

(2) In computing the corporate tax referred to in subsection (1) only income which is attributable to business activities carried on or raised from Saint Christopher or effectively connected with its business activities in Saint Christopher shall be included in the assessable income, and the provisions of subsections (3) and (4) of section 80A shall apply with such modifications as are necessary to bring them in conformity with the provisions of this section.

CURTIS A. MARTIN

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Speaker

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Passed by the National Assembly this 25th day of November, 2010.
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JOSÉ LLOYD
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*Clerk of the
National Assembly*