

**FIRST SUPPLEMENT TO THE GIBRALTAR
GAZETTE**

No. 3423 of 19 August, 2004



I ASSENT,
DAVID BLUNT,
ACTING GOVERNOR.

17th August, 2004.



GIBRALTAR

No. 30 of 2004

AN ACT to amend the Income Tax Act.

ENACTED by the Legislature of Gibraltar.

Title.

1. This Act may be cited as the Income Tax (Amendment) Act 2004.

Amendment to the Income Tax Act.

- 2.(1) Section 6 of the Income Tax Act is amended in subsection (1) by substituting the following paragraph for paragraph (g)–

“(g) capital sums in excess of 25 per centum of the capital value of the pension from any provident society or other fund approved by the Commissioner that is–

- (i) received by the individual on retirement; or
- (ii) paid prior to retirement to an individual on the grounds that he is suffering from serious ill health and has a low life expectancy;

subject to the provisions of sub-paragraphs (A), (B) and (C), shall not form part of the assessable income of the individual but shall be taxed separately in accordance with the rules made under this Act;

- (A) this paragraph applies to an individual who, subsequent to 30 June 1987, becomes a member of or participates in a provident society or other fund which was approved by the Commissioner and which allowed a capital sum in excess of 25 per centum of the capital value of the pension to be paid to an individual on retirement;
- (B) this paragraph applies to an individual who is a member of or participates in a provident society or other fund which was approved by the Commissioner and whose capital sum in excess of 25 per centum of the capital value of the pension to be paid on retirement is in the opinion of the Commissioner insufficient to provide a pension of at least £1,000 per annum;
- (C) this paragraph does not apply to an individual who prior to 1 July 1987 became a member of or

participates in such provident society or other fund approved by the Commissioner and which allowed a capital sum in excess of 25 per centum of the capital value of the pension to be paid to the individual on retirement.”

- (2) paragraph (h) of Section 6(1) of the Act is repealed and replaced by the following paragraph—

“(h) Capital sums received by an individual from the Gibraltar Pension Annuity Trust Scheme, other than capital sums received by way of optional draw-downs forming part of annuity payments, shall not form part of the assessable income of the individual but shall be taxed separately in accordance with the rules made under this Act.”.

Passed by the Gibraltar House of Assembly on the 26th day of July, 2004.

D. J. REYES,

Clerk to the Assembly.

**Printed by the Gibraltar Chronicle Limited
Printing Office, 2, Library Gardens,
Government Printers for Gibraltar,
Copies may be purchased at 6, Convent Place, Price £0.40p.**