

**COOK ISLANDS**

**VALUE ADDED TAX AMENDMENT ACT**

**ANALYSIS**

Title

1. Short title and commencement
2. New section 41A inserted
  - 41A. Delegations by Collector
3. Additional taxes for non compliance or evasion
4. Schedule amended
5. Third Schedule amended

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**2002, No. 9**

An Act to amend the Value Added Tax Act 1997

(12 December 2002)

**BE IT ENACTED** by the Parliament of the Cook Islands in Session assembled, and by the authority of the same as follows:

1. Short title and commencement - (1) This Act may be cited as the Value Added Tax Amendment Act 2002 and shall be read together with and deemed part of the Value Added Tax Act 1997 "the principal Act").

(2) Except as provided in **subsection (3)**, this Act comes into force on the day after the date on which it receives the Royal assent.

(3) **Sections 4 and 5** are deemed to have come into force on 1 December 2002.

2. New section 41A inserted - The principal Act is amended by inserting, after the **heading to Part XI**, the following section:

"41A. Delegations by Collector - (1) The Collector may from time to time by written instrument delegate to any person all or any of the functions or powers of the Collector under this Act, except the power of delegation conferred by this section.

(2) A delegation -

(a) May be made subject to such restrictions and conditions as the Collector thinks fit; and

- (b) May be made to a person or to a specified class of persons; and
- (c) May be made either generally or in relation to a particular matter; and
- (d) May be revoked in writing by the Collector; and
- (e) Does not prevent the exercise or performance by the Collector of the function or power delegated.

(3) Except as provided in the instrument of delegation, a person to whom a function or power is delegated under this section may exercise or perform the function or power in the same manner and with the same effect as if it had been conferred on the person directly by this Act and not by delegation.

(4) Unless the context otherwise requires, every provision of this Act applying to the Collector in respect of the exercise or performance of a function or power applies, with any necessary modifications, to any person exercising or performing the function or power under a delegation made by Collector, as if the person were the Collector.

(5) Every person purporting to act under a delegation made under this section is presumed to be acting in accordance with its terms in the absence of proof to the contrary.

(6) A delegation continues in force according to its tenor unless and until revoked."

3. Additional taxes for non-compliance or evasion - **Section 24** of the principal Act is amended by omitting **subparagraph (ii) of paragraph (a)**, and substituting the following subparagraph:

"(ii) Additional tax made up of a further 1 percent per month calculated and compounded on the amount (being the aggregate of the unpaid tax and the additional tax specified in subparagraph (i)) from time to time outstanding, for each complete month during which that amount remains unpaid"; and

4. Second Schedule amended - The Second Schedule to the principal Act is amended by omitting from **clause 6** the expression "30 June 2002", and substituting the expression "31 December 2004".

5. Third Schedule amended - The Third Schedule to the principal Act is amended by omitting from **clause 6** the expression "30 June 2002", and substituting the expression "31 December 2004".

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This Act is administered in the Revenue Management Division of the Ministry of Finance and Economic Management.