



**MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT**  
**GOVERNMENT OF THE COOK ISLANDS**

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**Standard Practice Statement (SPS) 12/21 - Guidelines on when extension of time to file a tax return will be granted**

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**Introduction**

1. This SPS provides guidelines to confirm when the Collector will grant an extension of time to file a tax return. For the purpose of SPS 11/21 a tax return relates to the document that is required to be filed with the Collector which relates to VAT, PAYE tax, PAYE reconciliations, income tax and withholding tax ("Tax Returns").
2. The Collector's authority to grant an extension of time to file a Tax Return is contained in section 15(4) (Returns) of the Value Added Tax Act 1997 and sections 15(3) (Date by which returns to be furnished) and 227 (Power to extend time) of the Income Tax Act 1997.

**Extension of time to file Tax Returns**

3. The Collector will extend the time for filing a Tax Return if satisfied that the following conditions are met:
  - 3.1. The extension of time arises as a result of an event or circumstances beyond the control of a taxpayer; and
  - 3.2. As a consequence of that event or circumstance the taxpayer has a reasonable justification or reason for not furnishing a Tax Return by the due date; and
  - 3.3. The taxpayer corrected the failure to comply as soon as practicable.
4. Without limiting the Collector's discretion, an event or circumstance will include the following circumstances:
  - 4.1. An accident or disaster; or
  - 4.2. Illness or emotional or mental distress.
5. An event or circumstance does not include the following:
  - 5.1. An act or omission by an agent unless the Collector is satisfied that the act or omission was caused by an event or circumstance beyond the control of the agent -
    - 5.1.1. That could not have been anticipated; and
    - 5.1.2. The effect of which could not have been avoided by compliance with accepted standards of business organisation and professional conduct; or

5.1.3.Relates to the taxpayer's financial position.

6. Nothing in this SPS limits the Collector from exercising the discretion in section 227 Income Tax Act 1997, to extend the time for filing resulting from delays caused by air and sea communications for taxpayers living on Islands other than Rarotonga.
7. Furthermore, nothing in this SPS limits a taxpayer's right to make an application to the Collector for financial relief from additional taxes under Part XII of the Income Tax Act 1997.

**Requesting an extension of time**

8. A request for an extension of time to file a tax return must be emailed to [tax.info@cookislands.gov.ck](mailto:tax.info@cookislands.gov.ck) for the attention of the "Senior Tax Advisor" prior to relevant tax return's due date for filing.
9. The words "Extension of time to file tax return request" should be contained in the subject line of the email.
10. The request must contain sufficient details of the event or circumstances relied upon, the proposed timeframe for filing the Tax Return, and provide any supporting documentation.

This SPS was updated and approved on 1 December 2021.



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