

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

**TAXATION STATISTICS**  
**March Quarter 2020**

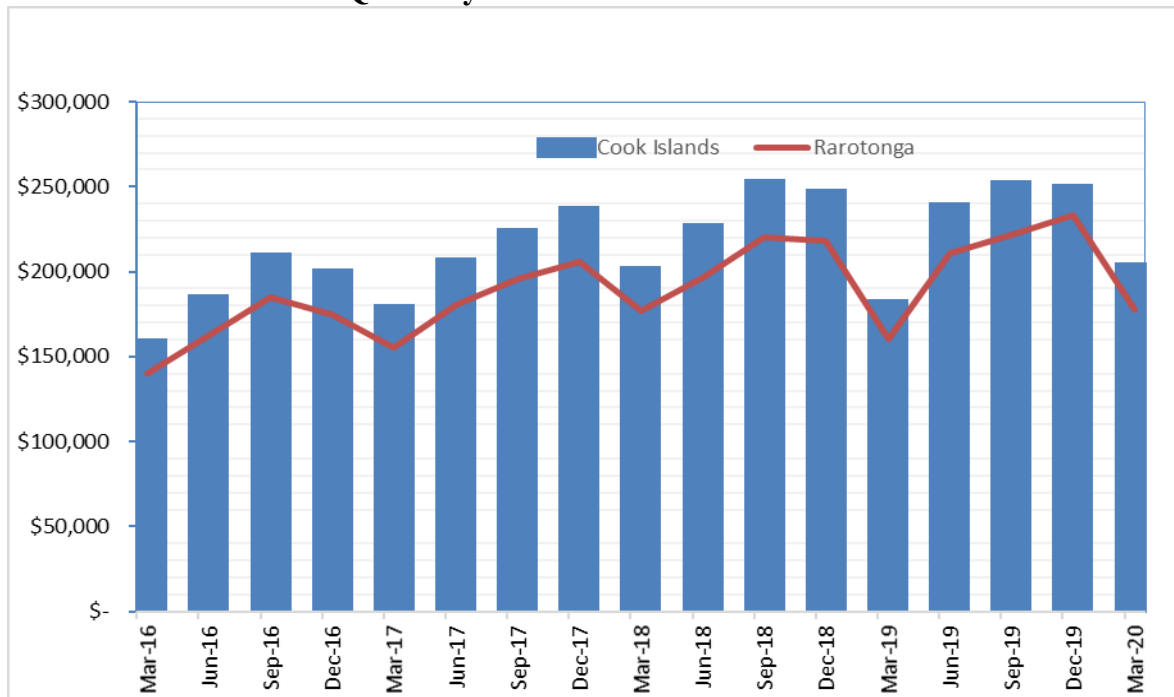
Gross turnover during March quarter 2020 totalled \$199.8 million, down by 18.8 per cent when compared to December quarter 2019 and down by 12.2 per cent when compared to same quarter of previous year.

Value Added Tax (VAT) collected on Sales and Income increased by 13.8 per cent when compared to March quarter 2019 but fell by 19.2 per cent when compared to previous quarter.

The Trade industry continued to contribute the highest VAT collected on Sales and Income with 40.7 per cent, followed by Accommodation, Restaurants and Bars with 19.9 per cent. Transportation and Construction also had significant contribution with 8.3 and 5.1 per cent respectively.

The graph below illustrates a fluctuating trend of Gross Turnover for the Cook Islands with the March quarter decreasing by 18.8 per cent over the December quarter 2019.

**Quarterly Gross Turnover 2015-2020**



Further information about this release can be obtained from the Statistics Office.

Taggy Tangimetua  
Government Statistician  
June 2020

## Explanatory Notes:

### Introduction

Taxation Statistics series looks at how Value Added Tax (VAT) is collected on Sales of Goods and Services & Income versus the Purchases of Goods & Services here in the Cook Islands.

### Scope

VAT is a tax on consumption, so if businesses purchase goods and or supplies services they will be liable to pay tax on the goods or services they will use in their operations at 15.0 per cent.

### Data Collection

We receive the data via email for inclusion in the taxation series from the revenue management division of the Ministry of Finance and Economic Management.

### Data Processing

The data is received in MS Excel format and transferred to MS Access for processing and data is run through a number of queries to change text fields to number fields e.g. April 2013 is changed to 1304. So this code is used to sum all the column fields that have this code for the month of April 2013 and so on.

Other steps include putting the correct industry codes for the business that do not have any industry code associated. When all processes are complete we extract the data for tabulation in the Taxation series.

### Definitions

#### Value Added Tax

This tax is 15.0 per cent and is payable on taxable activities.

#### Taxable activities

Any activity carried out continuously or regularly, involving the supply of goods or services to any other person for a consideration, but not necessarily for a profit.

#### Gross Turnover

Total money generated on production in the Cook Islands for the period covered.

### Industry

A particular form of economic/commercial activity e.g. construction.

### Revisions

This is carried out when there is a change in data (this maybe to account for late payment of obligations) or if improvements to methodology used in preparing the taxation series is implemented, this will be mentioned in the write up of the quarterly affected.

### Symbols

(p)	Provisional - data used is provisional to populate tables until finalised.
(r)	Revisions – these are made when changes occur to the data used or methodology improvements are made.

For further clarification, please do not hesitate to contact the office.



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