

PUBLIC NOTICE No. 21 OF 1979

Published 27th December, 1979

THE INCOME TAX ACT
(Cap. 273)

Short title.

THE INCOME TAX (VALUE OF CERTAIN BENEFITS IN KIND)
ORDER, 1979

In exercise of the powers conferred upon him by sub-paragraphs (iii) and (iv) of paragraph (b) of subsection (2) of section 7 of the Income Tax Act, the Minister hereby makes the following Order:—

Commencement and application.

1. This Order shall be deemed to have come into force on the 1st day of April, 1979 and shall, subject to the provisions of section 88 of the Income Tax Act, apply to Income Tax charged or chargeable for the year of assessment commencing on 1st April, 1979 and each succeeding year of assessment.

Ascertainment of value of specified Benefits in kind.

2. The value of any gains or profits derived by any employee from the use of a motor vehicle or accommodation from the exercise of an employment or the holding of an office or any services rendered or deemed to be rendered provided by the employer for his personal use and any other benefits, advantages or facilities as provided under sub-paragraphs (iii) and (iv) of paragraph (b) of subsection (2) of section 7 of the Income Tax Act shall be determined and accordingly charged to tax as specified under Tables I, II and III in the Schedule hereto.

Definition.

3. For the purposes of the Schedule hereto—

“hard furnishings” means the basic household furniture and includes mattresses and cushions.

“soft furnishings” means furnishings such as curtains, carpets, refrigerators, airconditioners, cutlery, linen and household appliances.

P.A.Y.E. Rules to apply.

4. For the purposes of the Income Tax (P.A.Y.E.) Rules in force total emoluments shall include the benefits in kind specified in the Schedule hereto and the provisions of the Rules aforesaid shall apply with equal force thereto.

5. In the event of any doubt of the category in which an employee's accommodation falls or as to whether or not any furnishing is hard or soft, or as to whether or not an employee has the use of a motor vehicle for his personal use, the decision of the Commissioner may be questioned in an appeal against the assessment in accordance with Part XII of the Income Tax Act.

THE SCHEDULE

(Section 7 (2) (b) (iii) and (iv))

TABLE I—MOTOR VEHICLE

Where the employee has at his disposal for his personal use a motor vehicle his chargeable income shall be increased by the value thereof ascertained in accordance with the cubic capacity of such vehicle by the following amounts—

- | | |
|---|------------|
| (a) for a motor vehicle up to 1200 cc. ... | Le360 p.a. |
| (b) for a motor vehicle over 1200 cc.
but not exceeding 2000 cc. ... | Le480 p.a. |
| (c) for a motor vehicle exceeding
2000 cc. | Le600 p.a. |

TABLE II—ACCOMMODATION

Where the employee is provided with accommodation for his personal use occupies it rent free or otherwise his chargeable income shall be increased by the value thereof and the amounts ascertained in accordance with the following—

- (a) for unfurnished accommodation, his chargeable income for any year of assessment shall be increased by 5 per centum of his basic salary for that year or by an amount of Le500 whichever is the greater; provided that such amount shall not exceed Le750.00
- (b) for accommodation with hard or soft furnishing, his chargeable income for any year of assessment shall be increased by $7\frac{1}{2}$ per centum of his basic salary for that year or by an amount of Le750 whichever is the greater: provided that such amount shall not exceed Le1,100.00,
- (c) for accommodation with hard and soft furnishing his chargeable income for any year of assessment shall be increased by 10 per centum of his basic salary for that year or by an amount of Le1,000 whichever is the greater; provided that such amount shall not exceed Le1,500 per annum.

TABLE III—OTHER BENEFITS ADVANTAGES AND FACILITIES

Where the employee enjoys any other benefits, advantages or facility such as domestic servants or electricity provided by the employer free of charge, his chargeable income for any year of assessment shall be increased by the value thereof and the amounts ascertained in accordance with the following—

- (a) for every domestic servant so provided Le189 per annum;
- (b) for electricity Le250 per annum or the cost thereof to the employer whichever is the lower;
- (c) for such other benefits, advantages or facility not specified under the Income Tax Act or hereunder an amount as may be considered fair and reasonable by the Commissioner of Income Tax in respect of the value thereof.

MADE this *1st* day of *April*, 1979.

Issued under my hand,

F. M. MINAH,
Minister of Finance