Statutory Instrument No. 21 of 2001

REVISION OF THE LAWS ACT
(Cap. 01:03)

RECTIFICATION OF THE LAWS ORDER, 2001

(Published on 25th May, 2001)

PARAGRAPH

1. Citation
2. Rectification of errors in the Value Added Tax (Act No. 1 of 2001)

IN EXERCISE of the powers conferred on the Law Revision Commissioner by section 10 of the Revision of the Laws Act, the following Order is hereby made —

Citation

1. This Order may be cited as the Rectification of the Laws Order, 2001.

Rectification of errors in the Value Added Tax (Act No. 1 of 2001)

2. The errors appearing in the Value Added Tax Act under the sections specified in the first column of the Schedule hereto are rectified in the manner set out in the corresponding entry of the second column of the Schedule.

SCHEDULE

Section	*Manner of rectification*
Section 4 (20)	By substituting for paragraph (*c*) thereof the following new paragraph — "(*c*) the goods and services comprising the taxable activity were acquired by the recipient wholly or partly for a purpose other than for consumption, use, or supply in the course of making taxable supplies, the acquisition of the taxable activity is a supply by the recipient in the course or furtherance of a taxable activity carried on by the recipient to the extent that the goods and services comprising the taxable activity were acquired for a purpose other than consumption, use, or supply in the course of making taxable supplies."
Section 8 (12)	By substituting for paragraph (*b*) thereof the following new paragraph — "(*b*) goods or services are supplied directly in the construction, major reconstruction, manufacture, or extension of a building or engineering work and the consideration becomes due in instalments or periodically, the goods or services are treated as successively supplied for each period to which a payment for the goods or services relates and each successive supply occurs when payment in respect of the supply becomes due, is received, or an invoice relating only to that payment is issued, whichever is the earlier."

Section 13 (4) By substituting for paragraph (*b*) thereof the following new paragraph —

"(*b*) the supplier and the recipient are related persons, the value of the import is the fair market value of the import."

By substituting for paragraph (*c*) thereof the following new paragraph —

Section 15 (4) "(*c*) if those services were rendered by any other person, the rendering of the services would be an import of services for the purposes of this Act, the services shall be treated as an import of services received by the person referred to under paragraph (*a*) when the services are rendered in respect of a taxable activity carried on by the person for an amount equal to the fair market value of the import."

Section 17 (2)(*b*) By substituting for subparagraph (ii) thereof the following new subparagraph —

"(ii) will not submit regular and reliable tax returns, as required under this Act."

Section 17 (7) By substituting for paragraph (*b*) thereof the following new paragraph —

"(*b*) any change of address from which, or name in which, a taxable activity is carried on by the registered person, within 21 days of the change occurring."

Section 19 (3) By substituting for paragraph (*b*) thereof the following new paragraph —

"(*b*) any imports of goods, other than capital goods, made by the person, prior to becoming registered to the extent that the goods are for use or resupply in a taxable activity carried on by the person after registration."

Section 28 (4)(*a*) By substituting for subparagraph (ii) thereof the following new subparagraph —

"(ii) gross or wilful neglect committed by, or on behalf of, the person who furnished the return or import declaration; or".

Section 40 (1) By substituting for paragraph (*c*) thereof the following new paragraph -

"(*c*) having authority from some other person to pay money to the person liable, to pay the money to the Director on the date set out in the notice, up to the amount of the tax due."

Section 42 (1) By substituting for paragraph (*b*) thereof the following new paragraph —

(*b*) the amount of tax paid by a person, other than in circumstances specified under paragraph (*a*), was in excess of the amount properly charged to tax under this Act, the amount of the excess shall be treated in the manner provided for in this section."

Section 54 (3)(*b*) By substituting for paragraph (*b*) thereof the following new paragraph —

"(*b*) being left at the person's last and usual place of abode, and the certificate of service signed by the person serving the notice is evidence of the facts stated therein."

Section 58 (*b*) By substituting for paragraph (*b*) thereof the following new paragraph —

"(*b*) enters into or acquiesces in any agreement to do, abstain from doing, permit, conceal, or connive at any act or thing whereby the tax revenue is or may be defrauded or which is contrary to the provisions of this Act or to the proper execution of the officer's duty, commits an offence and is liable on conviction, to a fine not exceeding P25 000 or to imprisonment for a term not exceeding 5 years, or to both and the Court may, in addition to imposing a fine, order the convicted person to pay to the Director any amount of tax that has not been paid as a result of the officer's wrongdoing and which cannot be recovered from the person liable for the tax."

Section 60 (5)(*a*) By substituting for the words "4(7)" the words "24(7)".

Section 61 (1) By substituting for paragraph (b) thereof the following new paragraph —

"(*b*) omits from a statement made to a taxation officer any matter or thing without which the statement is misleading in a material particular, and the tax properly payable by the person exceeds the tax that would e payable if the person were assessed on the basis that the statement is true, the person is liable to a penalty equal to double the amount of the excess."

Section 65 (1) By substituting for paragraph (*b*) thereof the following new paragraph —

"(*b*) permit any person to have access to records in the possession or custody of the Director, except in the exercise of the officer's powers or the performance of the officer's duties under this Act or by order of a court."

MADE this 16th day of May, 2001.

P.T.C. SKELEMANI,
Law Revision Commissioner.

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