

Examined and certified by:


Clerk of the Parliament

In the name and on behalf of Her Majesty Queen Elizabeth the Second I hereby assent to
this Act this 17th day of December, 2019




Queen's Representative

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An Act to amend the Income Tax Act 1997.

The Parliament of the Cook Islands enacts as follows—

- 1 **Title**
This Act is the Income Tax Amendment Act 2019.
- 2 **Commencement**
This Act comes into force on the day after the date on which it receives the assent of the Queen's Representative.
- 3 **Principal Act amended**
This Act amends the Income Tax Act 1997 (the **principal Act**).
- 4 **Section 2 amended (Interpretation)**
 - (1) Section 2 is amended by replacing the definitions of "Cook Islands company", "company", "entity", and "person" with the following definitions inserted in their appropriate alphabetical order:
"Cook Islands company" means a company incorporated in the Cook Islands, and includes a company incorporated or registered under the International Companies Act 1981-82

“company” means a body corporate whether incorporated in the Cook Islands or elsewhere; and—

- (a) includes a company incorporated under the International Companies Act 1981-82; but
- (b) does not include a local or public authority.

“entity” means—

- (a) a government (whether island, state, regional, or local):
- (b) a company, including a Cook Islands company, a partnership, a trust, or similar body or association.

“person” includes the following (but does not include a local or public authority):

- (a) a company, including a Cook Islands company:
- (b) a corporation sole:
- (c) a body of persons whether incorporated or not.

- (2) Section 2 is amended by inserting in its appropriate alphabetical order the following definition:

“**qualifying jurisdiction** means any jurisdiction that is not listed by the European Union Code of Conduct Group (or a similar or successor body) as a non-co-operative jurisdiction and is not declared to be a non-co-operative jurisdiction by regulations made under this Act”.

5 Section 42 amended (Incomes wholly exempt from taxation)

Section 42(1)(j) (exempt income) is repealed.

6 Section 85 amended (Credits in respect of Income tax paid in a country or territory outside the Cook Islands)

- (1) The section 85 heading is amended by omitting “country or territory” and substituting “qualifying jurisdiction”.
- (2) Section 85(1)(a)(i) is amended by omitting “country or territory” and substituting “qualifying jurisdiction”.
- (3) Section 85(1)(a)(ii) is amended by omitting “country or territory” and substituting “qualifying jurisdiction”.
- (4) Section 85(2) is amended by omitting “country or territory” and substituting “qualifying jurisdiction”.

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

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