SUBSIDIARY LEGISLATION 372.26

REMISSION OF INTEREST RULES

1st November, 2013

LEGAL NOTICE 361 of 2013.

Citation.

1. The title of these rules is the Remission of Interest Rules.

Remission.

2. The Commissioner may, at his discretion, remit wholly or in part, any interest chargeable on any person under the provisions of article 44(2A) of the Income Tax Management Act, hereinafter referred to as "the Act":

Provided that the Commissioner may only remit such interest if he is satisfied that the tax due was not paid within the prescribed period due to a reasonable cause, sohowever that reliance placed on any other person to perform any task shall not constitute a reasonable excuse.

Conditions.

3. (1) The Commissioner may impose any condition that he may consider appropriate for any remission under rule 2, including the requirement that the person concerned shall not make a default or omission within such period as the Commissioner may establish or that the said person shall make a payment of tax in such amount and within such time as the Commissioner may determine.

(2) Should any condition imposed by the Commissioner in accordance with the provisions of subrule (1) be infringed by the person concerned, any remission of interest granted by the Commissioner shall be forfeited.

(3) The Commissioner shall communicate in writing to the person concerned any condition imposed under subrule (1), the consequences of an infringement of any such condition in accordance with subrule (2) and, when such is the case, the fact that forfeiture has been incurred.

(4) The use of the Commissioner's discretion under this rule shall not be questioned in any appeal.

Stay of interest.

4. Interest chargeable under the provisions of article 44(2A) of the Act on the amount of tax payable under a payment plan not exceeding two years shall cease to be incurred from the date a person enters into such payment plan:

Provided that if the remission is not effected due to non-compliance with the provisions of rule 2, than the interest will be charged as if it had never ceased.

Set-off.

5. Where a person has benefitted from a remission of interest under these rules, the Commissioner may deduct the equivalent amount of such remitted interest from any interest on any refund of tax which may become due to that person within six years from the date the remission of interest under these rules had taken place.

Disclaimer.

6. Nothing in these rules shall entitle any person to claim any refund of any amount whatsoever in respect of interest already paid to the Commissioner under the provisions of the Income Tax Acts.