I assent.

(L.S.)

AGATHA BARBARA
President

10th June, 1983

ACT No. IX of 1983

AN ACT further to amend the Income Tax Act, 1948.

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same, as follows:—

Short title and commencement.

1. (1) This Act may be cited as the Income Tax (Amendment) Act, 1983, and shall be read and construed as one with the Income Tax Act, 1948, hereinafter referred to as "the principal Act".

(2) The provisions of sections 4 and 7 of this Act shall come into force as from the 1st January, 1983 in respect of the year of assessment commencing on that date and of subsequent years of assessment.

Amendment of section 2 of the principal Act.

2. In subsection (1) of section 2 of the principal Act for the definition of "certified public auditor" there shall be substituted the following definition:

"certified public auditor" means an individual who holds a warrant to act as auditor issued under the Accountancy Profession Act, 1979 or a partnership of auditors duly registered under the said Act, provided such individual is not disqualified and in the case of a partnership none of the partners is an individual who is disqualified for appointment as auditor or from holding such appointment on any of the grounds mentioned in section 140 of the Commercial Partnerships Ordinance, 1962.".

Act XXVIII of 1979

Amendment of section 4 of the principal Act.

3. In subsection (6) of section 4 of the principal Act for the words "the Succession and Donation Duties Ordinance" and "the said Ordinance" there shall be substituted in each case the words "the Death and Donation Duty Act, 1973"; and for the words "constituted under this Act" there shall be substituted the words "constituted under section 56 of this Act".

Amendment of section 5 of the principal Act.

4. Paragraph (c) of subsection (1) of section 5 of the principal Act shall be amended as follows:

(a) immediately after the words "purpose of gain or profit:" there shall be inserted the following proviso:

"Provided that —

(i) insofar as income subject to tax under this paragraph is concerned, the total income in respect of any immovable property used as aforesaid by any individual who was ordinarily resident and domiciled in Malta in the year immediately preceding the year of assessment shall not exceed —

(a) one hundred pounds if the property was built and used as a residence on or before the 31st day of December, 1975; and

(b) two hundred pounds in any other case;";

(b) for the words "Provided that there shall be excluded" there shall be substituted the words "(ii) there shall be excluded"; and

(c) for the words "Provided further that in the case of an ecclesiastical community" there shall be substituted the words "(iii) in the case of an ecclesiastical community".

Amendment of section 5B of the principal Act.

5. Section 5B of the principal Act shall be amended as follows:

(a) in subsection (1) thereof, immediately after the words "the Ordinance"," there shall be inserted the words "or of the Death and Donation Duty Act, 1973,";

(b) in paragraph (a) of subsection (5) thereof, immediately after the words "under the Ordinance" there shall be inserted the words "or under the Death and Donation Duty Act, 1973,";

(c) in paragraph (b) of subsection (5) thereof, immediately after the words "under the Ordinance" there shall be inserted the words "or under the Death and Donation Duty Act, 1973,"; and

(d) in paragraph (c) of subsection (5) thereof, immediately after the words "by the Ordinance" there shall be inserted the words "or by the Death and Donation Duty Act, 1973".

Amendment of section 8 of the principal Act.

6. In paragraph (jj) of subsection (1) of section 8 of the principal Act, for the words "Trade Unions and Trade Disputes Ordinance, 1945" there shall be substituted the words "Industrial Relations Act, 1976".

Amendment of section 22 of the principal Act.

7. For subsection (3) of section 22 of the principal Act there shall be substituted the following:

"Professional, nursing and hospitalization fees and disbursements for prosthetic and other aids.

(3) (a) In the case of an individual resident in the Island in the year immediately preceding the year of assessment, who proves to the satisfaction of the Commissioner that in the year immediately preceding the year of assessment he has paid:

(i) professional fees to any medical practitioner, surgeon, dentist or midwife;

(ii) fees to any nurse;

(iii) hospitalization fees; or

(iv) the price for the acquisition of a wheelchair, crutches, orthopaedic shoes or prosthetic aids or any payment for the use of any such article,

there shall be allowed a deduction in respect of any amount so paid.

(b) The amounts in respect of which a deduction is allowed under this subsection shall be those paid on account of the individual benefitting from the deduction herein contemplated or of his wife, if living with or wholly maintained by him, or on account of any other individual in respect of whom he is entitled to a deduction under subsection (1) of this section.

(c) (i) No fees payable to a nurse and no amount payable for the acquisition or the use of any article referred to in sub-paragraph (iv) of paragraph (a) of this subsection shall be admitted as a deduction unless the Chief Government Medical Officer certifies that the services in respect of which the fees were paid or the article or its use to which the payment refers, as the case may be, could not reasonably be dispensed with;

(ii) The Chief Government Medical Officer shall also certify what amount may be taken into account as having been genuinely expended in respect of nursing services, or for the acquisition or the use of the said articles.

(d) Where any disbursements referred to in this subsection are recoverable under insurance, social assistance or any other scheme or arrangement, a deduction under this subsection shall be allowed in respect only of such amount of the disbursements which is not so recoverable and, in any case, the total deduction allowable under this subsection in any year of assessment shall not exceed five hundred pounds less any amount of the disbursements recoverable as aforesaid.

(e) Where two or more individuals are entitled to a deduction under paragraph (b) or paragraph (c) of subsection (1) of this section in respect of the same child or dependant, in computing any deduction allowable under this subsection there shall not be taken into account any amount paid by each individual in respect of the child or dependant in excess of five hundred pounds divided by the number of individuals so entitled.

(f) No deduction shall be allowed under this subsection unless the claim therefor is proved by receipts consigned to the Commissioner.".

Passed by the House of Representatives at Sitting No. 107 of the 7th June, 1983.

DANIEL MICALLEF
Speaker

C. MIFSUD
Clerk to the House of Representatives

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