I assent.

(L.S.)

ANTON BUTTIGIEG
President

25th September, 1981

ACT No. XL of 1981

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) (No. 2) Act, 1981, 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 this Act shall come into force as from the 1st day of January, 1983, in respect of the year of assessment commencing on that date and of subsequent years of assessment.

Amendment of section 14A of the principal Act.

2. Section 14A of the principal Act shall be amended as follows:

(a) in the proviso to subsection (4) thereof for the words "in excess of four hundred and seventy-five pounds" there shall be substituted the words "in excess of five hundred and thirty pounds"; and

(b) in sub-paragraph (iii) of paragraph (b) of subsection (5) thereof for the words "in excess of four hundred and seventy-five pounds" there shall be substituted the words "in excess of five hundred and thirty pounds".

Amendment of section 22 of the principal Act.

3. Section 22 of the principal Act shall be amended as follows:

(a) in subsection (1) thereof —

(i) in paragraph (a) thereof for the words "deduction of one thousand and seventy pounds" there shall be substituted the words "deduction of one thousand two hundred pounds"; and

(ii) for paragraph (d) thereof there shall be substituted the following:

"Life Insurance, National Insurance, and other schemes or funds.

(d) (i) he has made insurance (including insurance against death by accident) on his life or on the life of his wife in any insurance company, or

(ii) he or his wife or both have made annual contributions to a pension, saving, provident or any other society or fund which may be approved by the Commissioner upon such conditions as may be prescribed, or

(iii) he or his wife or both have made annual contributions under the Self-Employed Persons Accident Insurance Scheme,

there shall be allowed a deduction equal to the least of the following three amounts —

(a) the annual amount of the premium paid for such insurance and the annual amount of the contributions made as aforesaid;

(b) one-sixth of the total income of such individual;

(c) two hundred pounds:

Provided that where the annual contributions made as aforesaid include contributions made by such individual or his wife, or by both, in accordance with the National Insurance Act, 1956, or under the Self-Employed Persons Accident Insurance Scheme, the deduction allowed under this paragraph shall in no case be less than the aggregate amount of the contributions made under the said Act and under the Self-Employed Persons Accident Insurance Scheme;"; and

(b) in subsection (2) thereof —

(i) for the words "deduction of six hundred and thirty-five pounds" there shall be substituted the words "deduction of seven hundred and ten pounds", and

(ii) for the words "not exceeding four hundred and thirty-five pounds" in the proviso thereto there shall be substituted the words "not exceeding four hundred and ninety pounds"; and

(c) in subsection (6) thereof for the words "deduction of four hundred and seventy-five pounds" there shall be substituted the words "deduction of five hundred and thirty pounds".

Amendment of section 25 of the principal Act.

4. Section 25 of the principal Act shall be amended as follows:

(a) for subsection (1) thereof there shall be substituted the following:

"Normal rates of tax on individuals and certain bodies of persons.

25. (1) Saving the other provisions of this section, the tax upon the chargeable income of every person shall be charged at the following rates:

For every pound of the first £200	2c
For every pound of the next £100	5c
For every pound of the next £100	7c
For every pound of the next £200	10c
For every pound of the next £300	15c
For every pound of the next £500	20c

For every pound of the next £700	25c
For every pound of the next £1,500	30c
For every pound of the next £700	40c
For every pound of the next £700	50c
For every pound of the next £2,000	60c
For every pound of the remainder	65c";

(b) for subsection (4) thereof there shall be substituted the following:

"Special rates of tax and minimum tax liability.

(4) Notwithstanding the provisions of subsection (1) of this section, the tax upon the chargeable income of any individual who has been granted a residence permit under section 7 of the Immigration Act, 1970, on or after the fourteenth day of November, 1972, shall be charged at the following rates:

For every pound of the first £200	2c
For every pound of the next £100	5c
For every pound of the next £100	7c
For every pound of the next £200	10c
For every pound of the next £300	15c
For every pound of the next £500	20c
For every pound of the next £700	25c
For every pound of the remainder	30c:

Provided that the minimum liability of any such individual in respect of any year of assessment shall be one thousand pounds.".

Passed by the House of Representatives at Sitting No. 540 of the 23rd September, 1981.

CALCIDON AGIUS
Speaker

C. MIFSUD
Clerk to the House of Representatives

Ippubblikat mit-Taqsima tat-Taghrif — Kastilja — *Published by the Information Division — Kastilja*
Mitbugh fl-Istamperija tal-Gvern — *Printed at the Government Printing Press*

Prezz 2c — *Price 2c*