



SUPPLEMENT No. 2
TO
THE SOVEREIGN BASE AREAS GAZETTE
No. 1634 of 7th November 2011
LEGISLATION

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CAPITAL GAINS TAX (AMENDMENT) ORDINANCE 2011

An Ordinance to amend the Capital Gains Tax Ordinance 2006

G. E. STACEY
ADMINISTRATOR

7th November 2011.

BE it enacted by the Administrator of the Sovereign Base Areas of Akrotiri and Dhekelia as follows:—

1. Short title

This Ordinance may be cited as the Capital Gains Tax (Amendment) Ordinance 2011.

2. Commencement

This Ordinance comes into force on 1 December 2011.

3. Meaning of “principal Ordinance”

In this Ordinance, “principal Ordinance” means the Capital Gains Tax Ordinance 2006(a).

4. New section 25A inserted

The principal Ordinance is amended by inserting the following section after section 25—

“25A. Administrative penalties

- (1) The Fiscal Officer may, by written notice to a person, require the person to pay an administrative penalty in accordance with subsection (2), (3) or (5).
- (2) A person who fails to make a notification, deliver a declaration, provide information or comply with any other duty imposed by this Ordinance within the period provided for in this Ordinance may be required to pay an administrative penalty of up to €100.

- (3) A person who fails to make a notification, deliver a declaration, provide information or comply with any other duty imposed by this Ordinance within the period for compliance stated in a notice sent to the person by the Fiscal Officer may be required to pay an administrative penalty of up to €200.
- (4) The Fiscal Officer may not require a person to pay an administrative penalty under both subsections (2) and (3) in respect of the same default.
- (5) A person who fails to pay tax due under this Ordinance within the period provided in this Ordinance or the period for compliance stated in a notice sent to the person by the Fiscal Officer may be required to pay an administrative penalty of up to 5% of the tax due.
- (6) The Fiscal Office may send a notice to a person for the purposes of subsection (3) or (5) in respect of a duty referred to in those subsections whether or not this Ordinance provides for a period for compliance with the duty; and the period for compliance with the duty stated in any notice must not exceed 60 days.
- (7) An administrative penalty payable under this section is recoverable as a debt.
- (8) The prosecution of a person for an offence under this Ordinance does not affect the person's liability to pay an administrative penalty under this section."

5. New section 29A inserted

The principal Ordinance is amended by inserting the following section after section 29—

“29A. Delegation of functions to Republic

- (1) The functions placed on the Fiscal Officer by this Ordinance are general delegated functions for the purposes of the Delegation of Functions to the Republic Ordinance 2007**(b)**.
- (2) Subsection (1) does not apply to the functions in section 23.”

Notes

(a) Ordinance 2/06, amended by Ordinance 13/08 and Ordinance 1/09.
(b) Ordinance 17/07.

EXPLANATORY NOTE

(This note does not form part of the Ordinance)

1. This explanatory note relates to the Capital Gains Tax (Amendment) Ordinance 2011 (the “Ordinance”). It has been prepared by the Office of the Attorney General and Legal Adviser in order to assist the reader of the Ordinance. It is not, and is not meant to be, a comprehensive description of the Ordinance. So when a section or part of a section does not seem to require any explanation or comment, none is given.
2. The Ordinance amends the Capital Gains Tax Ordinance 2006 (the “principal Ordinance”) to reflect an amendment made to the capital gains tax legislation of the Republic of Cyprus. New section 25A of the principal Ordinance provides for administrative penalties to be charged in respect of a failure to comply with the principal Ordinance.
3. The Fiscal Officer’s functions under the principal Ordinance are delegated to the Republic by the Delegation of Functions to the Republic Ordinance 2007. This fact is now made clear on the face of the principal Ordinance, in accordance with current drafting practice (see new section 29A).

