



Contents

1	Title	1
2	Commencement	1
3	Principal Act amended	1
4	Section 2 amended (Interpretation)	1
5	Section 42 amended (Incomes wholly exempt from taxation)	2
6	Section 85 amended (Credits in respect of Income tax paid in a country or territory outside the Cook Islands)	2

An Act to amend the Income Tax Act 1997.

The Parliament of the Cook Islands enacts as follows—

(17 December 2019)

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Section 42(1)(j) (exempt income) is repealed.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

Printed under the authority of the Cook Islands Parliament—2019.
