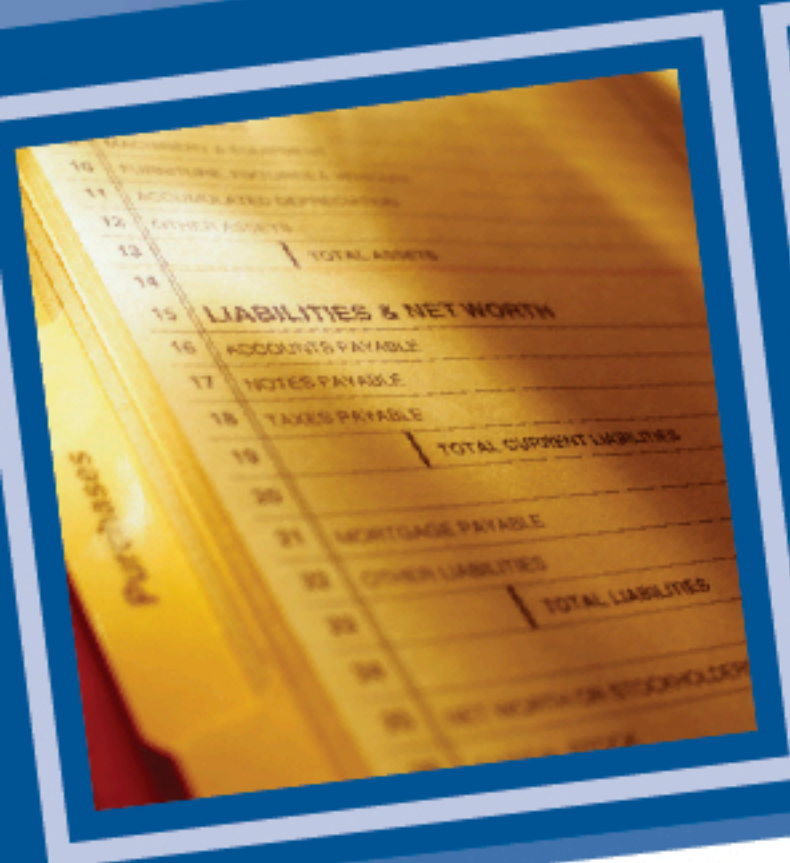


TAX

# Tax Arrears Settlement Scheme (TASS)



Special Jury HR Excellence Award

## 1. Objective of the Scheme

TASS is a Scheme whereby up to 100% of penalty and interest payable on tax due by individuals and companies are waived as an incentive for the debtors to settle their long outstanding tax liability.

## 2. Taxes covered

The Scheme covers Income Tax, VAT and Gaming and Betting duties and taxes outstanding as at 31 December 2011 under a return submitted or an assessment raised on or before 30 June 2006.

## 3. Penalty and interest to be waived

The penalty and interest that will be waived under the scheme are as follows:

### 3.1 Income Tax

- 100% of penalty charged for late submission of annual Income Tax return and CPS Statement.
- 100% of collecting penalty charged for late payment of PAYE, CPS or income tax.
- 75% of assessing penalty charged at time the assessment was raised.

### 3.2 VAT

- 100% of penalty charged for failure to apply for compulsory registration and 100% of penalty for repayment over claimed;
- 75% of penalty / interest charged for late submission of return or late payment of VAT.

### 3.3 Gaming and Betting duties and taxes

- 100% of the penalty charged in respect of the first month of default in payment of duty or tax.
- 75% of any other penalty charged for late payment of duty or tax.

## 4. Operation of the Scheme

- 4.1 The Scheme will apply to all taxes due including taxes due under objection and appeal.
- 4.2 A debtor wishing to avail himself of the reduction of penalties/interest under this scheme should make an application in that respect to the Director-General on or before 30 June 2012. Any application received after that date will not be considered.
- 4.3 Where the tax is due under an assessment which is pending before the Assessment Review Committee or before a Court, the debtor will have to withdraw his representation or appeal, as the case may be, to benefit from the reduction under this scheme.
- 4.4 The amount of penalty/interest to be waived will be written off from MRA books **only after the total tax liability has been settled by 30 September 2012.**
- 4.5 Where the total tax liability is not paid by 30 September 2012 at latest, any waiver of penalties and interest as may have been agreed under the scheme shall lapse and the total tax, penalties and interest shall become recoverable and payable forthwith.

## 5. Commencement and Termination

The Scheme shall come into operation on 1 January 2012 and terminate on 30 June 2012.