

Tax Alert

Corporate tax compliance

Tax office guidance to industry



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Following the publication of the Income Tax (Amendment) Act 2015 all Gibraltar registered companies, irrespective of whether they are in receipt of assessable income, are obliged to make a full and complete return in accordance with the provisions of section 29 of the Income Tax Act 2010.

This requirement is effective for accounting periods ending on or after 1 January 2016.

In order to assist companies with their filing requirements pursuant to the introduction of this amendment, the Income Tax Office has today issued guidance broadly setting out the constituent elements of what the return should comprise as well as the type of accounts that need to be filed.

The Income Tax Office have also confirmed that in order to assist in the transitional arrangements, in respect of these companies no late filing penalty will be levied until the 1 January 2017.

Please find this guidance summarised in a table overleaf.

How can we help?

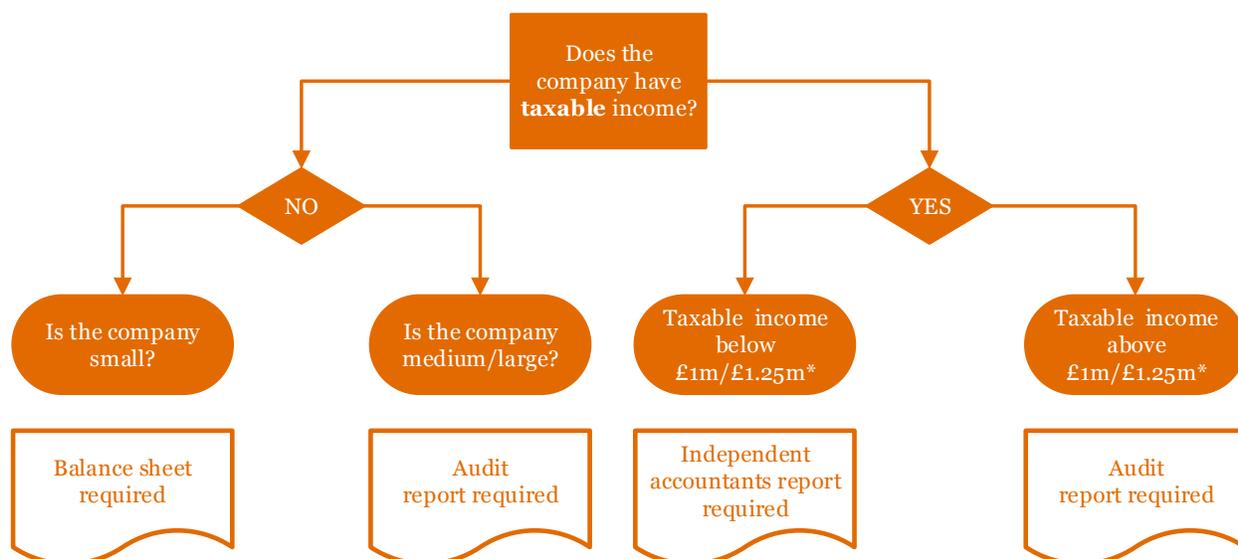
Our large and diverse client base generates unrivalled experience in the taxation of Gibraltar companies.

Our dedicated team of tax advisors work pro-actively with companies to optimise their tax situation.

With an excellent working relationship with the tax office which has been built up over many years together with unrivalled expertise and knowledge of Gibraltar tax laws, our tax team can provide you with full support from registration and ongoing compliance including assistance with the completion of the tax returns and computation as required by the Income Tax Act.

***Effective for
accounting
periods
ending on or
after 1
January 2016.***

Filing requirements for companies with year ending on or after 1 January 2016



*£1.25m threshold is effective for year ends commencing on or after 1 July 2015.

What size is my company?

The parameters defining the size of the company are contained within Schedule 9 of the Companies Act.

In respect of any financial year **commencing** on or after 1 January 2016 a company is a “**small company**” if for two consecutive years the company satisfied at least two of the following conditions–

- the amount of the company’s net turnover did not exceed £10.2 million;
- its total assets did not exceed £5.1 million;
- the average number of persons employed by the company in each year did not exceed 50.

In respect of any financial year **commencing** on or before 31 December 2015 a company is a “**small company**” if for two consecutive years the company satisfied at least two of the following conditions–

- the amount of the company’s net turnover did not exceed £6.5 million;
- its balance sheet total did not exceed £3.26 million;
- the average number of persons employed by the company in each year did not exceed 50.



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