A7 PETROLEUM INCOME TAX

A7.1 PROVISION TO ALLOW TAX ASSESSMENTS AFTER SIX YEARS

Existing Legislation

Presently, the Director General of the IRB is only allowed to raise assessments pursuant to the Petroleum Income Tax Act 1967 within a period of 6 years.

Proposed Legislation

It is proposed that to enhance tax administration and to prevent revenue loss, the IRB be empowered to make assessment on income tax, petroleum income tax and real property gains tax after a period of six years in cases where the assessment is determined by the court or withdrawal, revocation or cancellation of any exemption, relief, remission or allowance.

Reference

Section 39(3) of the Petroleum Income Tax Act 1967

Effective Date

Not specified

Likely Tax Effects and Implications

These changes are in line with the proposed change in Section 91(4) of the Income Tax Act 1967.