

REVENUE LAW (AMENDMENT) BILL, 2023

(Bill No. 24 of 2023)

EXPLANATORY STATEMENT OF THE OBJECTS OF AND REASONS FOR THE BILL

The object of this Bill is to amend certain revenue laws to streamline the tax management system for the purpose of addressing operational challenges and revenue leakages. The Bill is divided into 4 parts.

Part I is short title.

PART II relates to the amendment to the Revenue Administration Act. The amendments are —

- (a) to expand the definition of “return” and “revenue decision” in section 2;
- (b) to provide in section 3 that every tax payer under a revenue law shall file a return and a taxpayer doing large business shall file the return electronically only;
- (c) to provide in section 20 the dates for filing return electronically and in person, to provide that large business and payment of tax of and above 50,000 shall be electronically only; and
- (d) to include in the Second Schedule, the self-assessment return filed under some more Acts and one Regulation.

PART III relates to the amendment to the Income and Non-Monetary Tax Act. The amendment to section 10 of the Act is to introduce a new “payroll withholding statement form” instead of the present “withholding tax statement form”.

PART IV relates to the amendment to the Business Tax Act. The amendment is to repeal section 73 which relates the filing of withholding tax remittance form and to insert a new section 73.

PART V relates to the amendment to the Tourism Marketing Tax Act. The amendment is to provide that

- (a) the taxpayer shall file a return and to prescribe a form of return;
- (b) the mode of payment of tax shall be in accordance with the Revenue Commission Act; and
- (c) a person who files a return shall be considered as having made self-assessment of the turnover.

Dated this 24th day of November 2023.

**NAADIR HASSAN
MINISTER OF FINANCE,
NATIONAL PLANNING AND TRADE**

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ARRANGEMENT OF SECTIONS

Sections

PART I - PRELIMINARY

1. Short title

PART II - REVENUE ADMINISTRATION ACT

2. Amendment of section 2
3. Amendment of section 3
4. Amendment of section 20
5. Amendment of Second Schedule

**PART III - INCOME AND NON-MONETARY BENEFITS
TAX ACT**

6. Amendment of section 10

PART IV - BUSINESS TAX ACT

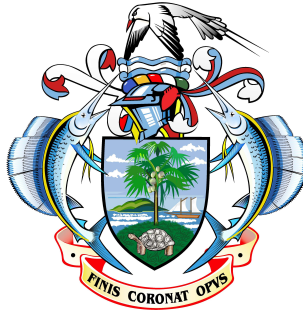
7. Amendment of section 73

PART V - TOURISM MARKETING TAX ACT

8. Amendment of section 4
9. Amendment of section 5
10. Insertion of Schedule 2

REVENUE LAW (AMENDMENT) BILL, 2023

(Bill No. 24 of 2023)



A BILL

FOR

AN ACT TO AMEND CERTAIN REVENUE LAWS TO STREAMLINE THE TAX MANAGEMENT SYSTEM FOR THE PURPOSE OF ADDRESSING OPERATIONAL CHALLENGES AND REVENUE LEAKAGES.

ENACTED by the President and the National Assembly.

PART I - PRELIMINARY

Short title

1. This Act may be cited as the Revenue Laws (Amendment) Act, 2023.

PART II - REVENUE ADMINISTRATION ACT

Amendment of section 2

2. Section 2 of the Revenue Administration Act (Cap 308), in this Part referred to as the “principal Act”, is amended —

- (a) in the definition of “Return” —
 - (i) by repealing in paragraph (a) the word “or”;
 - (ii) by repealing paragraph (b) and substituting it with the following paragraphs —
 - “(b) a withholding tax remittance form filed under the Business Tax Act; or
 - (c) all payroll withholding statements filed under the Income and Non-Monetary Benefits Tax Act.”; and
- (b) in the definition of “revenue decision”, by inserting in paragraph (b) after the words “Immovable Property Tax Act”, the words “Environmental Protection (Tourism Environmental Sustainability Levy) Regulations, 2023”.

Amendment of section 3

3. Section 3 of the principal Act is amended by renumbering subsections (1), (2) and (3) as (3), (4) and (5) respectively and inserting before the section as so renumbered, the following subsections —

- “(1) A taxpayer required to furnish a monthly return, including a self-assessment return under any revenue law shall do so —
 - (a) on or before the 21 day of the month in which the return is due in cases where it is furnished in person; or

- (b) on or before the 23rd day of the month in which the return is due in cases where it is furnished through the Seychelles Revenue Commission Tax Portal.

(2) A large business shall furnish their return through the Seychelles Revenue Commission Tax Portal”.

Amendment of section 20

4. Section 20 of the principal Act is amended by renumbering section 20 as 20A and inserting before the section so renumbered, the following new section —

“Payment of tax

20.(1) The monthly tax due under a revenue law shall be paid —

- (a) on or before the 21st day of the month in which the tax is due in cases where it is paid in person; or
- (b) on or before the 23rd day of the month in which the tax is due in cases where it is paid through the Seychelles Revenue Commission Tax Portal or bank transfer.

(2) A large business or a taxpayer making payment of tax of SCR50,000 or more under any revenue law shall pay their tax through the Seychelles Revenue Commission Tax Portal.”.

Amendment of Second Schedule

5. The Second Schedule to the principal Act is amended —

- (a) by repealing in paragraph (1) the word “and”; and
- (b) by repealing paragraph (2) and substituting it with the following paragraphs —

“(2) a return required to be furnished under the Value Added Tax Act;

(3) a return required to be furnished under the Accommodation Turnover Tax Act;

(4) a return required to be furnished under the Income and Non-Monetary Benefits Tax Act;

(5) a return required to be furnished under the Tourism Marketing Tax Act; and

(6) a return required to be furnished under the Environment Protection (Tourism Environmental Sustainability Levy) Regulations 2023.”.

PART III - INCOME AND NON-MONETARY BENEFITS TAX ACT

Amendment of section 10

6. Section 10 of the Income and Non-Monetary Benefits Tax Act, (Cap 273) is amended by repealing the words “a withholding tax statement” and substituting them with the words “a payroll withholding statement”.

PART IV - BUSINESS TAX ACT

Amendment of section 73

7. The Business Tax Act (Cap 20) is amended by repealing section 73 and substituting it with the following new section —

Withholding tax remittance form

“73. A person withholding tax under this Division shall, within such period and in such form as may be prescribed, lodge with the Commissioner General a withholding tax remittance form”.

PART V - TOURISM MARKETING TAX ACT

Amendment of section 4

8. Section 4 of the Tourism Marketing Tax Act, 2013, in this Part referred to as the “principal Act”, is amended by inserting after subsection (4) the following new subsection —

“(5) A person who files a return for a tax year shall be treated as having made a self-assessment of the turnover of the business and the tax payable thereon as specified in the return.”.

9. Section 5 of the principal Act is amended by repealing subsection (2) and substituting it with the following new subsection —

“(2) A person liable to pay the tourism marketing tax under this Act shall —


- (a) remit the tax to the Commissioner General in accordance with section 20 of the Revenue Administration Act, (Cap 308); and
- (b) furnish to the Commissioner General a return in the form prescribed in Schedule 3 of this Act, and in accordance with section 3 of the Revenue Administration Act, (Cap 308).”.

10. The principal Act is amended by inserting after Schedule 2, the following new Schedule —

SCHEDULE 3

[Section 5(2)]

Form of Return

| | | |
|--|------------------------|----------------|
|  | | SRC/TMT/R-2023 |
| Tourism Marketing Tax Return Tourism Marketing Tax (Amendment) Act, 2019 | | |
| Month: | Taxpayer's Name: | |
| Year: | Trading Name: | |
| | TIN: | |
| | Payment Advice Number: | |
| Monthly Turnover: | | |
| Tax rate: | 0.50% | |
| Tax payable: | | |
| DECLARATION | | |
| <p>I _____ (full name) declare that the particulars provided on this form are true and correct. I also affirm that I am authorised to make this declaration.</p> | | |
| Signature: | Date: | |