An Act to amend the Business Tax Act 2016  

Certified: 4th November 2016

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Enacted by the Parliament of Nauru as follows:

1 **Short title**

This Act may be cited as the *Business Tax (Amendment) No. 2 Act 2016*.

2 **Commencement**

This Act commences upon certification by the Speaker.

3 **Amendment of Business Tax Act 2016**

The Business Tax Act 2016 is amended by the provisions of this Act.

4 **Amendment of section 8**

Section 8 is amended by:

(a) omitting the word ‘or’ at the end of paragraph (a);

(b) omitting the full stop at the end of paragraph (b) and substituting it with ‘; or’;

(c) inserting the words ‘or an asylum seeker within the meaning in the Refugee Convention Act 2012’ in paragraph (b) after the word ‘refugee’;

(d) inserting a new paragraph (c) as follows:

(c) the individual is married to an individual who is a resident individual under paragraph (a).

5 **Amendment of section 18**

Section 18(1)(d)(iii) is amended by omitting the words:

‘the agreement comes into effect’

And substituting with the words

‘the date of Cabinet’s written concurrence with the exemption provision’.

6 **Amendment of section 38**

Section 38(2) is amended by omitting the word ‘person’

And substituting it with the word

‘individual’.
7 Amendment of section 39

(1) Section 39 is amended by inserting a new subsection (1A) as follows:

   (1A) A person who has a net loss for a tax year is treated as a person liable for business profits tax for the year.

(2) Section 39(2) is amended by inserting the words ‘because the taxable income of the resident individual for the year does not exceed the tax-free amount specified in paragraph (1)(a) of Schedule 1’ after the words ‘tax year’.

(3) Section 39(3) is amended by omitting the words ‘one month’ and substituting with the words ‘fifteen days’.

8 Amendment of section 41

(1) Section 41(1) is amended by inserting the words ‘file an instalment return and’ after the words ‘liable to’.

(2) Section 41(2) is amended by omitting ‘subsection (3)’ and substituting with ‘subsections (3) and (3C)’.

(3) Section 41 is amended by inserting new subsections (3A), (3B), and (3C) as follows:

   (3A) If a person has reasonable grounds for believing that the business profits tax payable by a person for the current tax year will be less than that payable for the previous tax year, the person may apply to the Secretary, in the approved form, for a variation in the amount of each instalment payable by the person for the current tax year.

   (3B) An application under subsection (3A) must include an estimate of the person’s business profits tax liability for the current year.

   (3C) If the Secretary grants an application under subsection (3A), the amount of each instalment is based on the person’s estimated business profits tax liability for the current year.