Statutory Document No. 2019/0022

Income Tax Act 1970

INCOME TAX (RESIDENT INDIVIDUALS) (INCOME TAX CAP) ORDER 2019

Approved by Tynwald: *19ᵗʰ February 2019*
Coming into Operation: *6 April 2019*

The Treasury makes the following Order under section 2ZB(3) of the Income Tax Act 1970.

1   Title

This Order is the Income Tax (Resident Individuals) (Income Tax Cap) Order 2019.

2   Commencement

If approved by Tynwald[1], this Order comes into operation on 6 April 2019.

3   Amendment of the Income Tax Act 1970

(1)   The Income Tax Act 1970 is amended as follows.

(2)   In section 2ZB(1) (income tax cap), for the words from "The income tax cap amount for the year of assessment" to the end substitute —

> «The income tax cap amount will be —
>
> (a)   for the year of assessment commencing 6 April 2019 —
>
> > (i)   £175,000 in the case of an individual; or
> >
> > (ii)   £350,000 in the case of a jointly assessed married couple or civil partners;
>
> (b)   for the year of assessment commencing 6 April 2020 and subsequent years —
>
> > (i)   £200,000 in the case of an individual; or
> >
> > (ii)   £400,000 in the case of a jointly assessed married couple or civil partners.».

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[1] Tynwald approval is required by section 2ZB(4) of the Income Tax Act 1970

MADE 24 JANUARY 2019

A L CANNAN
Minister for the Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order increases the income tax cap amount for the year of assessment commencing 6 April 2019 to £175,000 for an individual and £350,000 for a jointly assessed married couple or civil partners. These amounts will apply to each of the five years of an approved election that commences with the 2019/20 year of assessment.

The Order goes on to increase the income tax cap amount for the year of assessment commencing 6 April 2020 and subsequent years to £200,000 for an individual and £400,000 for a jointly assessed married couple or civil partners. These amounts will apply to each of the five years of an approved election that commences with the 2020/21 year of assessment and subsequent years.