



INCOME TAX ACT 1970

INCOME TAX (RATES OF INCOME TAX) (RESIDENT INDIVIDUALS) (CAPPING) ORDER 2006

Approved by Tynwald *12th July 2006*

Coming into operation in accordance with article 1(2)

In exercise of the powers conferred on the Treasury by section 1(3A) of the Income Tax Act 1970 (a), and of all other enabling powers, the following Order is hereby made:-

Citation and commencement

1. (1) This Order may be cited as the Income Tax (Rates of Income Tax) (Resident Individuals) (Capping) Order 2006.
- (2) This Order shall come into operation on the day on which it is approved by Tynwald and shall have effect in respect of the income tax year commencing 6th April 2006 and subsequent years.

Interpretation

2. In this Order-

“the Act” means the Income Tax Act 1970;

“individual” means an individual resident in the Isle of Man for income tax purposes

“relevant income” means the taxable income of individuals which exceeds an amount that would, but for this Order, attract income tax in excess of—

- (a) in the case of an individual, £100,000 in respect of a year of assessment; or
- (b) in the case of a jointly assessed married couple, £200,000 in respect of a year of assessment.

Rate of Tax

3. The prescribed rate of tax in respect of the relevant income is zero.

(a) Vol. XXI p.260, section 1 amended by section 7(1) of the Income Tax (Amendment) Act 2006

Made this 12th day of July 2006



Minister for the Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order sets provides that the maximum amount of income tax payable by a Manx resident individual shall be capped at £100,000 and a jointly assessed married couple at £200,000.