



INCOME TAX ACT 1970

INCOME TAX (RATES OF INCOME TAX) (RESIDENT INDIVIDUALS) (CAPPING) ORDER 2012

*Approved by Tynwald
Coming into operation*

*22 February 2012
24 February 2012*

The Treasury makes this Order under section 1(3A) of the Income Tax Act 1970¹.

1 Title

This Order is the Income Tax (Rates of Income Tax) (Resident Individuals) (Capping) Order 2012.

2 Commencement

If approved by Tynwald², this Order comes into operation on 24 February 2012 and shall have effect in respect of the income tax year commencing 6 April 2012 and subsequent years.

3 Interpretation

In this Order —

“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, £120,000 in respect of a year of assessment; or

¹ XXI p. 260

² As required by section 1(3E) of the Income Tax Act 1970

(b) in the case of a jointly assessed married couple or civil partners, £240,000 in respect of a year of assessment.

4 Rate of Tax

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

5 Revocation

The Income Tax (Rates of Income Tax) (Resident Individuals) (Capping) Order 2010³ is revoked.

Made *6th February 2012*



Minister for the Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides that the maximum amount of income tax payable by a Manx resident individual in respect of a year of assessment shall be capped at £120,000 and a jointly assessed married couple or civil partners at £240,000.