No. S 71

CONSTITUTION OF BRUNEI DARUSSALAM
(Order made under Article 83(3))

INCOME TAX ACT (AMENDMENT) (NO. 2) ORDER, 2010

ARRANGEMENT OF SECTIONS

Section

CONSTITUTION OF BRUNEI DARUSSALAM
(Order made under Article 83(3))

INCOME TAX ACT (AMENDMENT) (NO. 2) ORDER, 2010

In exercise of the power conferred by Article 83(3) of the Constitution of Brunei Darussalam, His Majesty the Sultan and Yang Di-Pertuan hereby makes the following Order —

Citation.

1. This Order may be cited as the Income Tax Act (Amendment) (No. 2) Order, 2010 and shall be deemed to have commenced on 1st. January, 2010.

Insertion of new section 11F into Chapter 35.

2. The Income Tax Act, in this Order referred to as the Act, is amended by inserting the following new section immediately after section 11E —

"**Further deductions for contributions under S 58/09.**

11F. Where the Collector is satisfied that an employer has made contributions to the Supplemental Contributory Pensions Trust Fund under section 8 of the Supplemental Contributory Pensions Order, 2009 (S 58/09) in respect of any employee, there shall be allowed to the employer a further deduction of the amount of that contribution in addition to the deduction allowed under section 11 of this Act.".

Amendment of section 35.

3. Section 35 of the Act is amended —

(a) in subsection (1) —

(i) by deleting "and subsequent years of assessment" from the first 2 lines of paragraph *(c)*;

(ii) by deleting the comma at the end of the paragraph and by substituting a semicolon therefor;

(b) by inserting the following new paragraph immediately after paragraph *(c)* —

"*(d)* the year of assessment 2011 and the subsequent years of assessment upon the chargeable income of every company, tax at the rate of 22%";

(c) by repealing subsection (4) and by substituting the following new subsection therefor —

"(4) Notwithstanding subsection (1) but subject to subsection (5), for the year of assessment 2011 and subsequent years of assessment, there shall be levied and paid for each year of assessment upon the chargeable income of every company, tax at the rate prescribed in subsection (1) on every dollar of that chargeable income thereof, except that —

(a) for every dollar of the first $100,000 of the chargeable income (excluding Brunei Darussalam dividends), only 25% shall be charged with tax; and

(b) for every dollar of the next $150,000 of the chargeable income (excluding Brunei Darussalam dividends), only 50% shall be charged with tax.";

(d) in subsection (5), by adding —

"Thereafter, for every dollar of the next $150,000 of the chargeable income (excluding Brunei Darussalam dividends), only 50% shall be charged with tax.";

(e) by repealing subsection (6A) and by substituting the following new subsection therefor —

"(6A) The rate of tax under subsection (1)*(d)* shall not apply to any part of the chargeable income of any company which is attributable to the income derived by the company on or before 1st. January, 2010 and the rate of tax under subsections (1)*(a)*, *(b)* or *(c)*, as the case may be, shall apply to such part of the chargeable income of the company.".

Made this 22nd. day of Rejab, 1431 Hijriah corresponding to the 5th. day of July, 2010 at Our Istana Nurul Iman, Bandar Seri Begawan, Brunei Darussalam.

HIS MAJESTY
THE SULTAN AND YANG DI-PERTUAN
BRUNEI DARUSSALAM