

CHAPTER 127

TAX RESERVE CERTIFICATES

AN ACT TO PROVIDE FOR THE ISSUE OF TAX RESERVE CERTIFICATES AND THEIR
ACCEPTANCE FOR PAYMENT OF CERTAIN TAXES AND FOR MATTERS INCIDENTAL
THERETO AND CONNECTED THEREWITH

7 of 1965
LN 46A of 1978

[16th November 1965]

1. This Act may be cited as the Tax Reserve Certificates Act.

Short title

2. In this Act-

Interpretation

"Commissioner" means the Commissioner of Inland Revenue as defined in the
Income Tax Act or any Act repealing or replacing the same;

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"certificate" means a tax reserve certificate issued by the Commissioner under
section 3 of this Act.

3.-(1) The Commissioner is hereby empowered to issue tax reserve certificates of
such denominations and subject to such conditions as the Minister may from time to
time by rules prescribe.

Issue of tax reserve
certificates
LN 46A of 1978

(2) A certificate shall, subject to such conditions as the Minister may from time to
time by rules prescribe, be accepted by the Commissioner, together with any interest
due thereon, in payment by the holder thereof of any amount due by him in respect of
any or all of the taxes specified in the Schedule to this Act.

(3) The Minister may by order amend the Schedule to this Act.

4.-(1) All moneys received for the purchase of certificates issued under this Act shall
be paid into an account in the Treasury and the principal moneys required for the
redemption of any certificate shall be paid out of such account.

Accounting, redemption,
interest, etc

(2) Any interest which may become due and payable in respect of any certificate
shall be charged upon and paid out of the Consolidated Fund.

SCHEDULE

(Section 3(2))

Any tax imposed under the Income Tax Act.

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CHAPTER 127

TAX RESERVE CERTIFICATES

Subsidiary Legislation

THE TAX RESERVE CERTIFICATES RULES

LN 157/1965
LN 5/1969

(Section 3)

[16th November 1965]

1. These Rules may be cited as the Tax Reserve Certificates Rules.

Citation

2. Certificates, which, upon application being made in such form as the Commissioner may direct, may be obtained from the office of the Commissioner, shall be issued by the Commissioner in any amount which is a multiple of ten dollars.

Issue of certificates

3.-(1) Any person may authorise the Commissioner to accept the application of an agent authorised by such person in writing for the issue or redemption of certificates in the name and on behalf of such person.

Applications by agents

(2) Certificates applied for by such agent shall be issued in the name of the person on whose behalf the application was made. Such certificates shall be accepted in settlement of tax due from the person named in the certificate and on redemption repayment shall be made to that person or to his duly authorised agent.

4. Every certificate shall be in the form set out in the Schedule hereto.

Form of certificate
Schedule

5. The Commissioner, or any officer authorised by him for the purpose, shall accept certificates, in amounts sufficient to meet the total amount of tax outstanding or any part thereof, at their face value together with the interest accrued thereon as the equivalent of cash for the payment of any or all of the taxes specified in the Schedule to the Act.

Duty of Commissioner to
accept certificates in
payment of tax

6. Simple interest at the rate of 3.6 *per centum* per annum commencing from the first day of the month following the date of issue to the first day of the month in which the certificate is accepted for payment of tax or the principal value of the certificate and interest thereon is repaid under rule 8 shall be paid on all certificates:

Payment of interest and
method of calculation
LN 5/1969

Provided that-

(a) where a certificate is accepted on the last day of any month interest shall be payable in full for that month;

(b) interest shall not be paid on any certificate for more than thirty-six months;

(c) interest shall be deemed to accrue from month to month at one-twelfth of the annual rate;

(d) where a certificate is only partially used in payment of tax, interest shall be calculated on an amount to the nearest ten dollars above the amount of the tax payable.

7. Where the face value of a certificate tendered in payment of tax exceeds the tax payable, interest shall be calculated in accordance with the provisions of rule 6 on the amount of tax payable and a new certificate bearing the same date as the certificate tendered shall be issued for such part of the balance as is divisible into multiples of ten dollars, and the remainder, if any, shall be refunded to the holder of such certificate.

Repayment of balance
after payment of tax

8. The holder, his legal personal representative or his duly authorised agent, shall be repaid on demand the principal value of any certificate together with any interest due thereon calculated in accordance with the provisions of rule 6.

Repayment of principal
value of certificate
LN 5/1969

9. Certificates or the obligations created thereby may not be transferred except as may be ordered by a court of competent jurisdiction.

No transfer of certificates or obligations

10. The Commissioner may refuse to accept any certificate tendered in payment of tax or to repay the holder of a certificate the principal value thereof unless and until he is satisfied that the signature on the reverse of the certificate is that of the holder, his legal personal representative or his duly authorised agent, or, where the holder is a partnership, body of persons or corporation, that of a partner or official authorised to sign on behalf of the holder.

Power to refuse to accept certificates or to repay until Commissioner satisfied as to signature

11. The Commissioner may, on being satisfied upon such evidence as he may require, issue upon such conditions as he may impose, a duplicate of any certificate which has been lost, mislaid, destroyed or mutilated.

Power to issue duplicates

SCHEDULE

(Rule 4)

SOLOMON ISLANDS

TAX RESERVE CERTIFICATE

No.

This is to certify that of is/are the registered holder(s) of a 3.6 *per centum* Solomon Islands Tax Reserve Certificate to the value set out below and entitled to the payment of interest thereon and to redeem the same in accordance with and subject to the Instructions set out on the reverse of this Certificate, the Conditions attached hereto and to the provisions of the Tax Reserve Certificates Rules.

Value in Words.	Date Purchased or Effective Date under Rule 7.	Receipt No.	For Official Reference
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Date
Signature of Issuing Officer

For Instructions see reverse.

FOR TAXATION OFFICE USE ONLY

Portion of Tax due represented by this Certificate

Interest on for months

Total Tax Credit

New Certificate No issued under Rule 7 for

Cash Refund

Date Received Stamp.

Entered in Redemption Register page

.....

Initials and Date

Refund made on P.V

[To be printed on the reverse side of the Tax Reserve Certificate]

Instructions

Delete paragraph I or II according to circumstances, complete the remaining paragraph and *sign* the form in the space below. The signature must be that of the holder or his legal personal representative, or where the holder is a partnership, body of persons or corporation, that of a partner or official authorised to sign on behalf of the holder.

I.-For use when the certificate is tendered in payment of tax.

I⁽¹⁾, being the holder/legal personal representative of the holder/authorised to sign on behalf of the holder⁽²⁾ named in this Certificate, request that the principal sum (or so much thereof as is required) together with any interest payable be applied in payment or towards payment of tax payable by the holder, as shown on the accompanying documents of demand, and the balance (if any) be refunded to the holder/legal personal representative of the holder.⁽²⁾

II.-For use when it is wished to redeem the certificate at face value.

I⁽¹⁾, being the holder/legal personal representative/ authorised to sign on behalf of the holder⁽²⁾ named in this Certificate request that the sum of.....being the whole of the principal sum, be repaid to the holder/legal personal representative of the holder⁽²⁾.

Date..... Signature.....

Note.- ⁽¹⁾ Insert full name of person signing this Certificate.
 ⁽²⁾ Delete the alternatives which do not apply.

[To be given to the holder together with his Tax Reserve Certificate.]

Conditions

1.-(a) The Certificate (with paragraph 1 of the Instructions endorsed thereon duly completed and the required documents of demand attached) may be tendered to the Commissioner of Inland Revenue in or towards payment of tax.

(b) If the Certificate is so tendered, it will be accepted at face value together with the interest accrued thereon as the equivalent of cash for the payment of tax. Interest will be calculated at the rate of 3.6 *per centum* per annum and will be allowed for each completed month calculated from the first day of the month following the date of issue until the first day of the month in which the Certificate is accepted for payment of tax:

Provided that-

(i) where the Certificate is accepted on the last day of any month interest will be payable in full for that month;

(ii) interest will not be paid on the Certificate for more than thirty-six months;

(iii) interest will be deemed to accrue from month to month at one-twelfth of the annual rate;

(iv) where the Certificate is only partially used in payment of tax, interest will be calculated on an amount to the nearest ten dollars above the amount of the tax payable.

2. The Certificate if not applied in payment of tax may be lodged at the office of the Commissioner of Inland Revenue for repayment.

3. The Certificate and the obligations created thereby are not transferable and the Commissioner of Inland Revenue will not, except as ordered by a court of competent jurisdiction, be bound to recognise any transfer, charge, deposit, trust or equity affecting the ownership of the Certificate or the moneys represented thereby.

4. The Certificate holder or his legal personal representative will be regarded as exclusively entitled to the benefit of the Certificate and the obligations created thereby.

5. The Commissioner may refuse to accept the Certificate when tendered in payment of tax or to repay to the holder of the Certificate the principal value thereof unless and until he is satisfied that the signature on the reverse of the Certificate is that of the holder, his legal personal representative or his duly authorised agent, or, where the holder is a partnership, body of persons or corporation, that of a partner or official authorised to sign on behalf of the holder.
