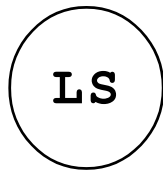


COMMONWEALTH OF DOMINICA

ACT NO. 13 OF 2021.

I assent



CHARLES A. SAVARIN
President

8th December, 2021.

**AN ACT TO AMEND THE INCOME TAX ACT, CHAP.
67:01.**

BE IT ENACTED by the Parliament of the Commonwealth of
Dominica as follows:

(Gazetted 9th December, 2021.)

1. This Act may be cited as the –

Short title.

**INCOME TAX (AMENDMENT)
ACT, 2021.**

Interpretation.
Chap. 67:01.

2. In this Act the Income Tax Act is referred to as “the Act”.

Insertion of a new
section 27A.

3. The Act is amended by inserting the following new section 27A immediately after section 27 –

“Exemption:
rental income
from residential
properties.

27A. Notwithstanding sections 38 and 61(3), the rental accruing to a resident individual from the lease of a property used for residential purposes is exempt from tax.”

Amendment of
section 41.

4. Section 41 (1) of the Act is amended –

(a) in paragraph (a) by inserting the words “licence fees, branding fees, royalties or” immediately before the word “management”;

(b) in paragraph (b) by –

(i) deleting the word “or” in subparagraph (i) and substituting the word “and”;

(ii) inserting the word “or” immediately after the semicolon in subparagraph (i);

(ii) deleting the word “or” immediately after the word “royalties” in subparagraph (ii) and substituting the word “and”.

Repeal and replacement
of section 48C.

5. Section 48C of the Act is repealed and replaced by the following–

“Deduction
for student
loan
interest.

48C. (1) Subject to subsection (2), a student or a benefactor of a student who has contracted to pay and is paying a student loan or the interest thereon shall be entitled to a deduction in respect of all of the amount paid during the basis period for a year of

assessment by way of interest in respect of the student loan.

(2) A person to whom this section applies shall not qualify for the benefit in an income year unless the student in respect of whom the loan is granted -

- (a) is enrolled for a period not less than six months in the income year and is registered for at least one course at an approved institution referred to in subsection (3); or
- (b) has completed the course of study and is domiciled and resident in Dominica for the income year.

(3) For the purposes of this section “student loan” means a loan granted by any financial institution licensed to carry on business in Dominica in respect of a course of study in a prescribed field at an approved institution that provides mainly tertiary education and “tertiary education” has the same meaning as given in section 2 of the Education Act.”.

6. The Act is amended by inserting the following new sections 48D and 48E immediately after section 48C –

Insertion of new sections 48D and 48E.

“Deduction for property insurance.

48D. (1) Subject to subsection (3), a resident individual shall be entitled to a deduction in respect of property insurance premiums paid on an owner occupied property during the basis period for a year of assessment.

(2) The deduction allowable under subsection (1) for any year of assessment in respect

of the expenditure shall not exceed eight thousand dollars.

(3) A resident individual shall not qualify for the benefit in an income year unless the property is insured with an insurance company that is registered under the Insurance Act to carry on an insurance business in Dominica.

Deduction for health insurance.

48E.(1) Subject to subsection (2), a resident individual shall be entitled to a deduction in respect of any individual or family health insurance premiums paid during the basis period for a year of assessment.

(2) A resident individual shall not qualify for the benefit in an income year unless the resident individual is insured with an insurance company that is registered under the Insurance Act to carry on an insurance business in Dominica.

Application.

7. (1) Section 3 of this Act applies to the income year 2021 and every subsequent income year.

(2) Sections 5 and 6 of this Act apply to the income year 2022 and every subsequent income year.

Passed in the House of Assembly this 30th day of November, 2021.

DANIEL JAMES

Clerk of the House of Assembly

DOMINICA

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