

Consequential Amendments

26. The Income Tax (Film-making and Audio-visual Incentives) Regulations 2016 is amended in regulations 71(6) and 80F(e) and (f) by deleting “Income Tax (Allowances for Depreciation and Improvements) Instructions 1998” and substituting “Income Tax (Allowances for Depreciation and Improvements) Regulations 2019”.

Made this 31st day of July 2019.

A. SAYED-KHAIYUM
Attorney-General and Minister for Economy

[LEGAL NOTICE NO. 54]

INCOME TAX ACT 2015

Income Tax (Depreciation Rates) (Amendment) Regulations 2019

IN exercise of the powers conferred on me by section 142 of the Income Tax Act 2015, I hereby make these Regulations—

Short title and commencement

1.—(1) These Regulations may be cited as the Income Tax (Depreciation Rates) (Amendment) Regulations 2019.

(2) These Regulations come into force on the date of publication in the Gazette.

Regulation 4 inserted

2. The Income Tax (Depreciation Rates) Regulations 2016 is amended after regulation 3 by inserting the following new regulation—

“100% write-off expenditure

4.—(1) Notwithstanding the provisions of these Regulations, where the cost of a depreciable asset is \$1,000 or less, a taxpayer may deduct the full cost of the asset in the tax year it was acquired.

(2) A deduction under this regulation must not be allowed unless the taxpayer can demonstrate that the asset—

- (a) is regarded as a whole;
- (b) is capable of being separately identified; and
- (c) has a separate function.

(3) Where a taxpayer applies the diminishing value method and the written down value of an asset has reached 5% or less of the cost of the asset at the end of a tax year, the taxpayer must deduct the equivalent sum in that tax year.”.

Made this 31st day of July 2019.

A. SAYED-KHAIYUM
Attorney-General and Minister for Economy