



Examined and certified by:

  
 Clerk of the Parliament
 

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In the name and on behalf of Her Majesty Queen Elizabeth the Second I hereby assent to this Act this 6<sup>th</sup> day of December, 2021


  
 Queen's Representative

### Contents

1	Title	1
2	Commencement	1
3	Principal Act amended	1
4	Section 82 amended (Place of residence, how determined)	1

**An Act to amend the Income Tax Act 1997 to change how the place of residence of a company is determined.**

**The Parliament of the Cook Islands enacts as follows—**

- 1 Title**  
This Act is the Income Tax (Company Residence) Amendment Act 2021.
- 2 Commencement**  
This Act comes into force on the day after the date on which it is assented to by the Queen's Representative.
- 3 Principal Act amended**  
This Act amends the Income Tax Act 1997.
- 4 Section 82 amended (Place of residence, how determined)**  
Replace subsections (2) and (3) with:
  - “(2) A company is deemed to be resident in the Cook Islands within the meaning of this Part if—
    - “(a) the directors of the company, in their capacity as directors, exercise control of the company in the Cook Islands, even if the directors' decision-making also occurs outside the Cook Islands; or
    - “(b) the place of effective management of the company is in the Cook Islands; or
    - “(c) the company is a Cook Islands company and, at any moment in time during the income year, 3 or more of its directors are resident in the Cook Islands.

- “(3) **Subsection (2)** applies to all companies on and from 1 January 2023.
- “(4) **Subsection (2)** applies to a company on and from 1 January 2022 until the close of 31 December 2022 if the company notifies the Collector that it elects to be subject to **subsection (2)**.
- “(5) A company’s notification and election under **subsection (4)** must be made—
  - “(a) before the close of 1 May 2022; and
  - “(b) in accordance with any prescribed notification and election procedures.”

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This Act is administered by the Revenue Division of the Ministry of Finance and  
Economic Management.

Printed under the authority of the Cook Islands Parliament—2021.

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