

[Legal Notice No. 256]

TAX ADMINISTRATION ACT 2022

(No. 3 of 2022)

COMMENCEMENT NOTICE

I, Hon. Harry Kuma, Minister for Finance and Treasury, under section 2 of the *Tax Administration Act 2022* (No. 3 of 2022), appoint 1 January 2023 as the day on which the Act commences.

Dated this twenty-sixth day of October 2022.

HON. HARRY KUMA

MINISTER FOR FINANCE AND TREASURY

[Legal Notice No. 257]

TAX ADMINISTRATION REGULATIONS 2022

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TAX ADMINISTRATION ACT

(No. 3 of 2022)

TAX ADMINISTRATION REGULATIONS 2022

I, Hon. Harry Kuma, Minister for Finance and Treasury, under section 168 of the *Tax Administration Act 2022* (No. 3 of 2022), make the following Regulations:

1 Citation

These Regulations may be cited as the *Tax Administration Regulations 2022*.

2 Commencement

These Regulations commence on the commencement of the *Tax Administration Act 2022*.

3 Definitions

In these Regulations, unless the context otherwise requires:

“*birth citizen*” has the meaning given in section 3 of the *Citizenship Act 2018*;

“*non-natural person*” means a person who is not a natural person;

“*Solomon Islands company*” means a company registered under the Companies Act 2009.

Note to regulation 3.

In these Regulations:

- (a) *in accordance with section 63(2) of the Interpretation and General Provisions Act (Cap. 85), subject to a contrary intention, words and expressions used in the Act and these Regulations have the same meaning as they have in the Act; and*
- (b) *in accordance with section 63(3) of the Interpretation and General Provisions Act (Cap. 85), a reference to “the Act” is a reference to the Tax Administration Act 2022.*

4 Meaning of certified copy of document

In these Regulations, a reference to a certified copy of a document is a reference to a copy of the document certified as a true copy of the original document by a Commissioner of Oaths appointed under section 3(1) of the *Oaths Act* (Cap. 23).

5 Evidence of identity of TIN applicant who is natural person

For section 18(3)(b) of the Act, an application by a natural person for a taxpayer identification number must be accompanied by the following evidence of the applicant’s identity:

- (a) one of the following documents:
 - (i) the applicant’s current passport (whether a Solomon Islands or foreign passport);
 - (ii) the applicant’s full birth certificate or a certified copy of the birth certificate;
 - (iii) if the applicant is a birth citizen but cannot provide a current passport or full birth certificate, separate statutory declarations verifying the applicant’s full name and place and date of birth made by 2 persons of whom at least one has known the applicant for not

- less than 2 years; and
- (b) one of the following documents:
 - (i) an identification card referred to in section 51 (1)(b) of the *Electoral Act 2018*;
 - (ii) the applicant's current driver's licence (whether a Solomon Islands or foreign licence);
 - (iii) the applicant's Solomon Islands National Provident Fund identification card; and
- (c) a photograph of the applicant that:
 - (i) is taken not more than 1 year before the date of the application; and
 - (ii) shows a close up of the applicant's face and top of the shoulders.

6 Evidence of identity of TIN applicant who is non-natural person

For section 18(3)(b) of the Act, an application by a non-natural person for a taxpayer identification number must be accompanied by the following evidence of identity:

- (a) for a Solomon Islands company:
 - (i) the company's certificate of the registration under the *Companies Act 2009*; and
 - (ii) for each natural person who is a director or controlling shareholder of the company:
 - (A) evidence of that person's personal TIN; or
 - (B) if the person has no personal TIN, the documents and other evidence of identity required by regulation 5 for an application for a TIN by a natural person;
- (b) for a company that is not a Solomon Islands company, the company's certificate of registration or incorporation, or equivalent document, issued at its place of incorporation;
- (c) for a trust:
 - (i) a certified copy of the deed or other document establishing the trust; and
 - (ii) for each natural person who is a trustee of the trust:
 - (A) evidence of the trustee's personal TIN; or
 - (B) if the trustee has no personal TIN, the documents and other evidence of identity required by regulation 5 for an application for a TIN by a natural person;
- (d) for a partnership:
 - (i) a certified copy of the agreement or other document establishing

- the partnership; and
- (ii) for each natural person who is a partner in the partnership:
 - (A) evidence of the partner's personal TIN; or
 - (B) if the partner has no personal TIN, the documents and other evidence of identity required by regulation 5 for an application for a TIN by a natural person;
 - (e) for a body other than a company or a partnership:
 - (i) a certified copy of the body's constitution or equivalent document for the governance of the body;
 - (ii) for each natural person who is a member of the governing board, executive or equivalent committee:
 - (A) evidence of the member's personal TIN; or
 - (B) if the member has no personal TIN, the documents and other evidence of identity required by regulation 5 for an application for a TIN by a natural person.

7 Change in information that must be notified

For section 20(1)(e) of the Act, a taxpayer must notify the Commissioner of any of following information changes:

- (a) if the taxpayer is a company (whether a Solomon Islands company or other company), any change in the directors or controlling shareholders;
- (b) if the taxpayer is a trust, any change in the trustees;
- (c) if the taxpayer is a partnership, any change in the partners;
- (d) if the taxpayer is a body of persons other than a company or partnership, any change in the members of the governing board, executive or equivalent committee;
- (e) any change in the contact details of any director, controlling shareholder, trustee, partner or member referred to in paragraphs (a) to (d);
- (f) any change in the nature of the taxpayer's business operations, including a change in business sector.

8 Contents of register of tax agents

For section 28(1)(b) of the Act, the register of tax agents must contain the following information:

- (a) any changes in authorised employees; and
- (b) for each new authorised employee, the information and statement about proposed authorised employees required under regulation 9 to be included in an application for registration as tax agent.

9 Additional information for application to register as tax agent

An application under section 29 of the Act for registration as a tax agent must include:

- (a) the following information about each proposed authorised employee of the applicant:
 - (A) full name;
 - (B) residential address;
 - (C) qualifications and experience relevant to the role of the authorised employee; and
- (b) a statement that the proposed authorised employee is not a disqualified person within the meaning of section 30(2) of the Act.

10 How tax may be paid

For section 64(2) of the Act, payment of tax must:

- (a) be made in Solomon Islands dollars; and
- (b) be made:
 - (i) in cash or by cheque at an office of the Inland Revenue Division; or
 - (ii) by electronic transfer to or by deposit in an Inland Revenue Division bank account.

11 Maximum prescribed penalties for administrative penalties

- (1) The maximum prescribed penalty that may be imposed for an administrative penalty for breach of the section of the Act specified in Column 1 of the Table is specified in Column 3 of the Table.
- (2) The maximum prescribed penalty that may be imposed for an administrative penalty for each day that the breach of the section of the Act specified in Column 1 of the Table continues is specified in Column 4 of the Table.

TABLE

MAXIMUM PRESCRIBED PENAL TIES

<i>Column 1 Section breached</i>	<i>Column 2 Description of breach</i>	<i>Column 3 maximum administrative penalty for breach</i>	<i>Column 4 Additional Maximum administrative penalty for continuing breach</i>
114	Failure to keep and maintain records	10,000 penalty units	20 penalty units for each day that the breach continues
115	Failure to apply for TIN	5,000 penalty units	20 penalty units for each day that breach continues

116	Failure to update TIN information	5,000 penalty units	20 penalty units for each day that breach continue
117	Failure to display tax agent certificate	5,000 penalty units	NIL
118	Late filing	5,000 penalty units	20 penalty units for each day that breach continues
119	False or misleading statement	10,000 penalty units or (if a tax shortfall occurs) the amount of the shortfall, whichever is higher	NIL
120	Failure to take reasonable care	10,000 penalty units or (if a tax shortfall occurs) the amount of the shortfall, whichever is higher	NIL
121	Gross carelessness	10,000 penalty units or (if a tax shortfall occurs) the amount of the shortfall, whichever is higher	NIL
122	Intentional disregard	10,000 penalty units or (if a tax shortfall occurs) the amount of the shortfall, whichever is higher	NIL

Made this twenty-sixth day of October 2022.

HON. HARRY KUMA
MINISTER FOR FINANCE
