

## OBJECTS AND REASONS

This Bill would amend the *Income Tax Act*, Cap. 73 to give effect to the Minister of Finance's Budgetary Proposals 2010 with respect to travel and entertainment allowances.

### *Arrangement of Sections*

#### *Section*

1. Short title.
2. Amendment of section 8 of Cap. 73.
3. Amendment of section 9 of Cap. 73.
4. Commencement.

BARBADOS

A Bill entitled

An Act to amend the *Income Tax Act*.

ENACTED by the Parliament of Barbados as follows:

1. This Act may be cited as the *Income Tax (Amendment) Act, 2011*. Short title.

Amendment of section 8 of Cap. 73.

2. Section 8(1) of the *Income Tax Act*, in this Act referred to as the principal Act, is amended in paragraph (a) by

- (a) deleting the word "and" at the end of sub-paragraph (v); and
- (b) by adding after sub-paragraph (vi) of paragraph (a) the following:

"(vii) entertainment allowances".

Amendment of section 9 of Cap. 73.

3. Section 9 of the principal Act is amended

- (a) in subsection (1), by deleting paragraph (d) and substituting the following:

"(d) amounts advanced or received in the income year to be used exclusively to cover the cost of travel in the performance of the duties of an officer or an employee in respect of his office or his employment where that travel is away from the place of business of his employer or from different places."; and

- (b) by inserting as subsection (1A) the following:

"(1A) For the avoidance of doubt, with respect to paragraph (d) of subsection (1), where an officer is entitled to be reimbursed for any amount of travel in the performance of the duties of his office or employment, that amount is not taxable."

Commencement.

4. This Act shall come into operation with effect from income year 2011.