

REPUBLIC OF VANUATU

THE CHEQUE TAX ACT NO. 38 OF 1984

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REPUBLIC OF VANUATU

THE CHEQUE TAX ACT NO. 38 OF 1984

To impose a tax on cheques.

BE IT ENACTED by the President and Parliament as follows:-

**INTERPRETATION**

1. In this Act unless the context otherwise requires -

'Bank' means any financial institution whose business includes the acceptance of deposits of money withdrawable by cheque;

'Collector' means the person appointed by the Minister as the Collector for the purposes of this Act;

'quarter' means any one of the periods of three months ending on the thirty-first day of March, the thirtieth day of June, the thirtieth day of September and the thirty-first day of December;

'tax' means the cheque tax imposed by this Act.

**IMPOSITION OF THE TAX**

2. There shall be imposed and collected in respect of each cheque supplied by a bank to its customers a tax at the rate of VT. 10.

**PAYMENT OF TAX**

3. The tax due under this Act shall be payable to the collector in the manner herein provided by the bank supplying the cheques.

**QUARTERLY RETURNS**

4. (1) Within fourteen days after the expiration of each quarter every bank shall forward to the Collector quarterly returns in such terms as the Minister may prescribe showing the number of cheques supplied by it to its customers and the tax due thereon at the end of each quarter.

(2) The returns shall be accompanied by the amount of tax payable in respect of the cheques supplied to it during the quarter to which it refers.

**PENALTY FOR LATE PAYMENT**

5. Where the tax is not paid when due, penalty at the rate of ten percent of the unpaid tax shall be payable by the bank for each month during which the tax remains unpaid.

#### INSPECTION OF RECORDS

6. A bank shall at all reasonable times permit the Collector or a person authorised by him in that behalf to inspect its books, records and documents which have references to cheques on which tax is due and payable:

Provided always that a bank shall not be required to provide for the inspection of any books, records or documents relating to the affairs of its customers.

#### TAX TO BE A DEBT TO GOVERNMENT

7. The amount of any tax and penalty due under this Act shall be a debt due to the Government which shall be paid in priority under any law relating to insolvency.

#### REGULATIONS

8. The Minister may by order make regulations for the better carrying out of the purposes of this Act and may prescribe anything that may be prescribed.

#### COMMENCEMENT

9. This Act shall come into force on the day of Assent.