



**CORPORATE SOCIAL RESPONSIBILITY TAX
ACT, 2013**

(Act 17 of 2013)

I assent



J. A. Michel
President

27th December, 2013

AN ACT to provide for the imposition of a corporate social responsibility tax and for matters connected therewith or incidental thereto.

ENACTED by the President and the National Assembly.

1. This Act may be cited as the Corporate Social Responsibility Tax Act, 2013 and shall come into operation on the 1st day of January, 2014.

Short title and
commencement

Interpretation

2. In this Act, unless the context requires otherwise —

- (a) “business” means a commercial or profit making venture, a profession, trade, vocation or calling exercised by, or any leasing of property or premises of any venture in the nature of trade carried on by, a person but does not include an occupation as an employee;
- (b) “corporate social responsibility tax” means the tax levied and payable under section 4;
- (c) “Minister” means the Minister responsible for finance;
- (d) “person” means an individual, partnership, entity, trust or government body carrying on a business in Seychelles;
- (e) “Revenue Commissioner” means the Revenue Commissioner appointed as such under section 4(1) of the Seychelles Revenue Commission Act, 2009;
- (f) “tax year” means the period of twelve months beginning on the 1st day of January in any year and ending on the 31st day of December in that year or any substituted tax year as approved under section 26 of the Business Tax Act, 2009;
- (g) “turnover” means the gross receipts from the carrying on of business including the consideration received from the disposal of trading stock and the gross fees for the provisions of services derived by a person from sources in Seychelles.

3. The Revenue Commissioner shall be responsible for the administration of this Act.

Administration
of Act

4.(1) A corporate social responsibility tax is imposed on a person, whose annual turnover equals or exceeds the liability threshold specified in the First Schedule, at the rates declared in that Schedule.

Imposition and
liability of
corporate social
responsibility
tax

(2) For the purposes of this Act, when two or more businesses are solely owned by one person, the businesses are deemed to constitute a single business in the sole ownership of that person.

(3) For the purpose of this section, liability threshold of a person is the annual turnover of the person for the tax year prior to the tax year in which the person is liable to pay corporate social responsibility tax.

5.(1) Subject to this Act, the corporate social responsibility tax is payable upon the monthly turnover of a person during the current year of payment on or before the 21st day on the month following the month in which the liability falls due.

Payment of
corporate
social
responsibility
tax

(2) A person liable to pay the corporate social responsibility tax under this Act shall remit the corporate social responsibility tax to the Revenue Commissioner along with the business activity statement prescribed under the Revenue Administration Act, 2009.

6.(1) Where the corporate social responsibility tax is paid to the Revenue Commissioner, the payment made is not allowable expense for the business under any revenue law.

Donations,
sponsorship or
project funding
in lieu of
corporate social
responsibility
tax

(2) In lieu of the corporate social responsibility tax, a person may pay such amount of the corporate social responsibility tax, as the person may deem fit, by way of donations, sponsorship or projects funding as specified in the

Second Schedule and the liability of the person to the corporate social responsibility tax to the extent of payment of such donations, sponsorship or projects funding shall be discharged.

(3) The conditions for payment of donations, sponsorship or projects funding under subsection (2) shall be prescribed by regulations.

(4) Where the payment of the corporate social responsibility tax in a tax year exceeds the liability to pay the corporate social responsibility tax, the amount which is in excess of such liability may be—

- (a) considered a tax credit against the corporate social responsibility tax for the next year; or
- (b) refunded in case the person's annual turnover for that tax year is below the liability threshold.

Power to
constitute
committee

7.(1) The Minister shall, by order published in the *Gazette*, constitute a Corporate Social Responsibility Tax Committee, consisting of such members not exceeding 5, as the Minister may deem fit.

(2) The powers and functions of the Committee referred to in subsection (1) and the procedure to be followed by it shall be prescribed by regulations.

Exempt
business

8. The businesses listed in the Third Schedule shall be exempt from the liability of the corporate social responsibility tax under this Act.

Power to
exempt

9. The Minister may, if he or she is satisfied that it is in the national public interest, by an order published in the *Gazette*, exempt any category or class of business from the liability of the corporate social responsibility tax under this Act.

10. The Revenue Administration Act, 2009 shall apply to procedures relating to the administration of the corporate social responsibility tax.

Application of
Revenue
Administration
Act

11. The Minister may make Regulations —

Regulations

- (a) prescribing all matters which by this Act required to be prescribed, or which are necessary or expedient to be prescribed, for giving effect to the provisions of this Act; and
- (b) amending a Schedule.

12.(1) The provisions of the Business Tax (Amendment of Schedule) Regulations, 2012 made under the Business Tax Act, 2009 in so far as it relates to the corporate social responsibility tax are hereby repealed.

Repeal of
S.I. 66 of 2012
and savings

(2) The repealed legislation continues to apply to tax years prior to the tax year in which this Act comes into operation.

(3) A reference in this Act to a previous tax year includes, when the context requires, a reference to a tax year under the repealed legislation.

FIRST SCHEDULE

[Section 4(1)]

CORPORATE SOCIAL RESPONSIBILITY TAX – LIABILITY THRESHOLD AND RATES OF TAX THEREOF

Sl. No.	Nature of business of person	Liability threshold	Rate of tax
(1)	(2)	(3)	(4)
1.	All businesses, other than a business specified in the Third Schedule	SCR1,000,000.00	0.5 per cent.

SECOND SCHEDULE*[Section 6(2)]***DONATIONS, SPONSORSHIP OR PROJECTS FUNDING IN LIEU
OF CORPORATE SOCIAL RESPONSIBILITY TAX**

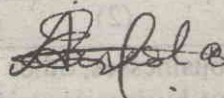
The corporate social responsibility tax payable by a person is allowed to be offset at a rate of 0.25 per cent against donations, sponsorships or projects funding paid during the current year of payment to the non-governmental organisations, associations or entities as approved by the Minister on the recommendation of the Corporate Social Responsibility Tax Committee.

THIRD SCHEDULE*(Section 9)***EXEMPT BUSINESS**

The following businesses are exempt from the liability of the corporate social responsibility tax —

1. Businesses listed under the Second Schedule to the Business Tax Act, 2009.
2. Businesses licensed under the Companies Special License Act, 2003.
3. Persons liable to business tax under the Business Tax Act, 2009 on income derived from renting or leasing of building or part of a building used exclusively for residential purposes.
4. Businesses licensed under the Mutual Fund and Hedge Fund Act, 2008.
5. Businesses licensed under the Securities Act, 2007.
6. Businesses licensed under the International Trade Zone Act.

I certify that this is a correct copy of the Bill which was passed by the National Assembly on 17th December, 2013.



Azarel Ernesta
Clerk to the National Assembly