



IMPROVING THE LIFE OF SOLOMON ISLANDERS
Inland Revenue Division Solomon Islands

**NOTICE OF WITHDRAWAL OF MT PR 2019/1: MISCELLANEOUS TAXES: OFFSET OF TAX
CREDITS AGAINST ARREARS OF TAXES.**

PREAMBLE

This withdrawal is made under section 151 of the Tax Administration Act 2022 (the Act).

MT PR 2019/1 is treated as withdrawn, and not to have effect, to the extent that it is inconsistent with the Tax Administration Act 2022 (TAA) and takes effect from the date the TAA Act takes effect, namely 1st January 2023.

However, Public Ruling MT PR 2019/1 that has been withdrawn continues to apply to an arrangement that commenced before the ruling was withdrawn; and does not apply to an arrangement that commenced after the date the ruling was withdrawn.

WHAT THIS WITHDRAWAL IS ABOUT

1. This Notice of Withdrawal of MT PR 2019/1 is as a result of the Introduction of section 69 in the TAA and the repeal of section 47 (1) and (2) of the Goods Tax Act Cap 122.
2. In MT PR 2019/1, the Commissioner provided guidance on when the Commissioner will allow tax credits to be:
 - used by a taxpayer to offset tax arrears:
 - in other periods for the same tax type;
 - in other tax types for the same taxpayer; and
 - of another taxpayer, but only with the approval of the Commissioner.

RULING

Legislation

3. Whilst section 90 of the Income Tax Act remains operative after the introduction of the TAA, subsections 47(1) and (2) of the Goods Tax Act Cap 122 have been repealed.
4. Section 69 of the TAA now provides for the transfer of excess tax for all taxes.
5. The section provides that the Commissioner may transfer part or all of excess tax paid by a taxpayer to another tax period or another type of tax the taxpayer is liable to pay.
6. Further, the Commissioner may make the transfer on the Commissioner's own initiative or on the request of the taxpayer.

DATE OF EFFECT

7. This withdrawal applies to arrangements entered into on or after the 1st January 2023.

Joseph Dokekana
Commissioner of Inland Revenue
Dated: 31st May 2024