

**COMMONWEALTH YOUTH GAMES 2015
(SPONSORSHIPS) BILL 2014**

SAMOA

Explanatory Memorandum

Introduction

The purpose of the Bill is to provide sponsors and tax deductions for sponsors of the Commonwealth Youth Games 2015. The sponsors will be entitled to tax deductions under section 27 of the Income Tax Act 2012 for the value of their sponsorship of the Commonwealth Youth Games 2015.

Clauses:

- Clause 1:** - provides the short title and the commencement date of the Act which is the date assented to by the Head of State.
- Clause 2:** - provides for the definitions of terms.
- Clause 3:** - regulates persons who may be sponsors of the Games. They can apply or the Board can request them to be sponsors of the Games.
- Clause 4:** - entitles a sponsor to a tax deduction under section 27(5) of the Income Tax Act 2012.
- Clause 5:** - exempts goods imported by the Commonwealth Youth Games 2015 Company Limited for the purposes of the Games from Customs duties and other duties and tax, including tax under the Value Added Goods and Services Tax Act 1992/1993.
- Clause 6:** - empowers the Minister to make Orders for the purpose of the Act.

- Clause 7:** - exempts tax under the Income Tax Act 2012 on any income derived by the Company.
- Clause 8:** - provides for the expiration date of the Act, without affecting tax deductions granted to sponsors before expiry date.
- Clause 9:** - provides for the consequential amendments to the Income Tax Act 2012.



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(Hon TUILAEPA Fatialofa Lupesoliai Aiono
Neioti Sailele Malielegaoi)

PRIME MINISTER AND MINISTER FOR FINANCE

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Arrangement of Provisions

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| <ol style="list-style-type: none"> 1. Short title and commencement 2. Interpretation 3. Sponsors 4. Tax deductions under the Income Tax Act 5. Customs duties | <ol style="list-style-type: none"> 6. Minister's Order 7. Company exempted from income tax 8. Expiration of Act 9. Consequential amendment and saving |
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2014, No.

A BILL INTITULED

AN ACT to provide sponsorships of and tax deductions for the Commonwealth Youth Games 2015 and for related purposes.

BE IT ENACTED by the Legislative Assembly of Samoa in Parliament assembled as follows:

1. Short title and commencement-(1) This Act may be cited as the Commonwealth Youth Games 2015 (Sponsorships) Act 2014.

(2) This Act commences on the date it is assented to by the Head of State.

2. Interpretation - In this Act, unless the context otherwise requires:

“Company” means the Commonwealth Youth Games 2015 Company Limited;

“Board” means the Board of Directors of the Company;

“Games” means the Commonwealth Youth Games 2015 to be held in Samoa in September 2015;

“sponsor” means a person approved under section 3 to provide sponsorship for the Games;

“sponsorship” means any or all of the following sponsorship of the Games made on or before the date of the Games official closing ceremony:

- (a) donation in cash or kind;
- (b) goods;
- (c) services.

3. Sponsors-(1) A person must not be a sponsor of the Games unless the person is approved as such by the Board.

(2) A person may apply in writing to the Board to be a sponsor of the Games.

(3) When an application is received under subsection (2), the Board may approve (with or without conditions) the person, as a sponsor of the Games.

(4) The Board may, on its own initiative, request and approve a person to be a sponsor.

(5) The Board may determine different categories of sponsors and different types or means of sponsorship.

(6) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine not exceeding 500 penalty units.

4. Tax deductions under the Income Tax Act - A sponsor is entitled to a tax deduction under section 27(5) of the Income Tax Act 2012.

5. Customs duties-(1) Any goods imported by the Company for the purposes of the Games are exempt from Customs duties or any other duties charged on the importation of the goods.

(2) This section applies to goods imported on or before the date of the official closing ceremony of the Games.

(3) For the purpose of the Value Added Goods and Services Tax Act 1992/1993, any goods imported under this section are deemed to be exempted by the Minister under paragraph (ii) of the Proviso to section 13(1) of that Act as if the imported goods were imported under an international aid project.

6. Minister's Order - The Minister may make an Order:

- (a) to provide for any other matter relating to sponsorships of the Games; or
- (b) to give effect to the provisions of or for the purposes of this Act.

7. Company exempted from income tax-(1) Any income derived by the Company is exempt from tax.

(2) For subsection (1), the Company is taken to be a statutory authority for the purpose of Part A(1)(a) of Schedule 2 of the Income Tax Act 2012.

8. Expiration of Act-(1) This Act expires on 31 December 2015, subject to subsection (2).

(2) A tax deduction allowed under section 27(5) of the Income Tax Act 2012 continues as if this Act had not expired.

9. Consequential amendment and saving-(1) For section 27 of the Income Tax Act 2012:

- (a) in subsection (2)(a), for “ten” substitute “fifteen”; and
- (b) after subsection (4), insert:

“(5) A sponsor is allowed a deduction to their assessable income for a tax year for the value of sponsorship of the Commonwealth Youth Games 2015 held in Samoa.

(6) In this section:

“place of education” means:

- (a) a school registered under the Education Act 2009; or

(b) a registered Post school Education and Training provider under the Samoa Qualifications Authority Act 2010.

“gift” means monetary donation;

“sponsor” and “sponsorship” have the meanings in the Commonwealth Youth Games 2015 (Sponsorships) Act 2014.”.

(2) Any decision of the Board on sponsorships made and any sponsorship approved, before the commencement of this Act, are treated as if they were made or approved under this Act.
