

REPUBLIC OF NAURU
EMPLOYMENT AND SERVICES TAX (AMENDMENT) BILL 2016

SECOND READING SPEECH

Honorable David Adeang M.P.

3rd November 2016

Mr. Speaker Sir,

I have the pleasure of introducing to the House today a Bill for the *Employment and Services Tax (Amendment) Act*.

This Bill, once passed, will strengthen the *Employment and Services Tax Act 2014*, and result in a more practical application of the provisions of the tax laws. This will ensure that the intended outcomes of the application of the law are achieved.

Mr Speaker, the *Employment and Services Tax Act 2014* is the enabling legislation which imposes the taxes on employment and services related income, and was enacted on 10th September 2014. At the time of enactment it is not always possible to predict every consequence or unintended outcome of the application of the provisions of the law.

This Bill, once passed, will make some technical changes to the provisions of the *Employment and Services Tax Act 2014*, which will remove any doubt, ambiguity or unintended consequences in the interpretation and application of the law.

Mr. Speaker, this Bill once passed, will serve to ensure that the necessary taxation legislative framework is in place, and that it reflects best practice in the application of the law, so that the intended outcomes are fairly achieved.

Mr Speaker, the explanatory memorandum describes in detail the provisions of the Bill.

I commend the Bill to the House.