

Brief Summary of Ascension Island Individual Taxation Scheme

Based upon

THE INCOME TAX (ASCENSION) ORDINANCE, CAP A7

Income Tax – General

Income Tax is payable by a person in any year on gains or profits arising in or derived from Ascension Island sources; these include:

- Any office or employment
- Any pension
- Monetary allowances.

Exemptions

Exemptions, which are detailed under Schedule III (Section 8) of the Ordinance include:

- Income from ecclesiastical, charitable or educational institutions in so far as such income is not derived from a trade or business carried on by such institution.
- Income of the Bank of St. Helena
- Gratuity in respect of employment under a contract of Service on Ascension
- **The official emoluments received by United States Nationals employed on Ascension in accordance with Article XII of the Bahamas Long Range proving Ground Agreement of 25 June 1956.**

Chargeable Income

Chargeable income for an individual in any year of assessment is the amount of taxable income less any eligible allowances claimed.

Transfer of allowances is accepted where any married or common law partners are part of the same household.

Benefits in Kind

Where in any year of assessment a person is employed and by reason of his/her employment he/she or a member of his household receives a benefit which is not directly treated as taxable income and to which a monetary value can be applied then all such benefits will be evaluated in cash terms and it is deemed that the individual is in receipt of an income equivalent to the monetary value.

Example of a Benefit in Kind:

- Rent Free Accommodation – Range from £1,200 to £3,000.

Allowances

		(£)
Personal Allowance		3500
Child Allowances		
	First	300
	Second	200
	Additional	75

Tax Rates

Taxable Income (£)	%
0 - 4000	15
4001+	27

Illustration

A single person working on Ascension Island who is liable to pay Income Tax in accordance with the provisions of the Ordinance has the following personal details:

Income £10,000 per annum

Provision of accommodation value of benefit in kind £1,200 per annum

Subsistence allowance £2,853 per annum

Personal Tax Calculation:

	(£)
Salary	10,000
Subsistence allowance	2,853
Less personal allowance	(3500)
Plus Benefit	<u>1200</u>
Taxable Income	10533

Tax Payable:	(£)
0-4000 @15%	600
4001 – 10533 @27%	<u>1764</u>

2364 per annum

Normalised through PAYE scheme as £197.00 per month

Please note that the information contained in this fact sheet is for illustrative use only and may be subject to periodic changes. Individual circumstances would need to be assessed by an Income Tax Officer.