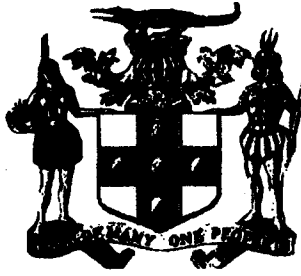


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MINISTRY PAPER NO.

**TAX MEASURES
2006/07**

27TH APRIL 2006
Ministry of Finance and Planning

MINISTRY PAPER NO.....

TAXATION MEASURES 2006/2007

Members of this Honourable House are invited to take note of the New Taxation Measures being proposed for fiscal year 2006/2007.


1. GCT on Funeral Services:

In 2003 the decision was taken to make all coffins and services offered by undertakers a taxable activity. It is proposed that all funeral service packages of \$100,000 and below will have exempt status. For packages above this limit the tax will apply only to the difference. **This will cost \$149 million.**

2. GCT on Agricultural Inputs:

In 2005 the decision was taken to transfer some zero-rated items inclusive of agricultural inputs to exempt category. It is proposed that the current policy on agricultural inputs revert to its original zero-rated status. **This will cost \$147 million.**

The effective date will be June 1, 2006 for both measures.


Omar Davies MP
Minister of Finance & Planning
April 27, 2006