

PART X - INTEREST, PENALTY TAX, AND OFFENCES

Sub-Part I - Late Payment Interest

229. Late payment interest

(1) A person who fails to pay –

- (a) a tax; or
- (b) an amount specified in a notice served on the person under section 211,

on or before the due date for payment is liable for interest at the prescribed rate on the amount unpaid, computed for the period commencing on the date on which the payment was due and ending on the date on which the payment is made.

(2) An interest paid by a person under subsection (1) shall be refunded to the person to the extent that the amount to which the interest relates is found not to have been payable.

(3) Interest payable by a person –

- (a) in respect of tax referred to in paragraph (c) of the definition of "tax" in section 195; or
- (b) in respect of any amount referred to in paragraph (b) of subsection (1),

shall be borne personally by the person and is not recoverable from any other person.

(4) Interest payable under this section is computed as simple interest.

(5) The Commissioner-General may recover interest payable by a person under Part V of this Chapter as if it were tax payable by the person.

(6) Interest payable under this section is in addition to any penalty imposed under Sub-Part II of this Part or any fine imposed under Sub-Part III of this Part in respect of the same act or omission.

(7) In this section, "prescribed rate" means the Central Bank of The Gambia rediscount rate as at the commencement of the first day of the period for which interest is computed under subsection (1) increased by five percentage points.

Sub-Part II - Penalty

230. Penalty for failure to submit a tax return

A person who fails to furnish a tax return as required under this Act is liable for a penalty equal to five per cent of the tax payable under the return per month (or part of a month) during which the failure continues, up to a maximum penalty of twenty-five per cent of the tax payable under the return.

231. Penalty for non-payment of tax

(1) A taxpayer who fails to pay any tax (other than penalty) by the due date is liable for a penalty equal to five per cent of the unpaid tax per month (or part of a month) during which the failure continues, up to a maximum penalty of twenty-five per cent of the unpaid tax.

(2) A penalty paid by a taxpayer under subsection (1) shall be refunded to the taxpayer to the extent that the tax to which the penalty relates is subsequently found not to have been payable.

(3) A penalty imposed under this section is in addition to interest payable under section 229 in respect of the failure to pay tax by the due date.

(4) A penalty payable by a person in respect of tax referred to in paragraph (c) of the definition of "tax" in section 195 shall be borne personally by the person and is not recoverable from any other person.

232. Penalty for failure to apply for Value Added Tax registration

A person who fails to apply for registration as required by subsection (6) of section 172 is liable for a penalty equal to double the amount of value added tax payable during the period commencing on the day on which the person was required to apply for registration until either the person files an application for registration or the person is registered by the Commissioner-General on the Commissioner-General's own motion.

233. Penalty for failure to maintain proper records

A taxpayer who fails to maintain proper accounts, documents, or records in accordance with the requirements of this Act is liable –

- (a) if the failure was knowingly or recklessly made, for a penalty equal to one hundred per cent of the amount of tax payable by the taxpayer for the tax period to which the failure relates; or