

it is payable, the expenditure shall not be deductible again on the basis that it is paid; or

(b) expenditure is deductible under this Act on the basis that it is paid, the expenditure shall not be deductible again on the basis that it is payable.

PART IV - RULES RELATING TO PERSONS

Sub-Part I – Individuals

63. Taxation of individuals

The chargeable income of each individual shall be computed separately.

Sub-Part II – Entities

64. Taxation of trusts

(1) Income derived by the trustee of a trust is taxed either to the trustee or the beneficiary of the trust in accordance with this section.

(2) An amount derived by a trustee of a trust is treated as derived by a beneficiary of the trust (other than a beneficiary under a legal disability) if the beneficiary has a vested right to the income.

(3) A beneficiary is allowed a deduction in accordance with this Act for any expenditure incurred by the trustee in deriving income referred to in subsection (2) that is included in the gross income of the beneficiary.

(4) Income to which subsection (2) applies –

(a) retains its character and geographic source in the hands of the beneficiary; and

(b) is treated as derived by the beneficiary at the time the amount was derived by the trustee.

(5) The trustee of a trust is liable for tax for a tax year on the chargeable trust income of the trust for the year.

(6) In this section, "chargeable trust income", in relation to a tax year, means–

(a) in the case of a resident trust, the gross income of the trust for the year reduced by the sum of the following –

(i) any part of that amount to which subsection (2) applies for the year; and

(ii) the total deductions allowed to the trust for the year under this Act, other than amounts to which subsection (3) applies; or

(b) in the case of a non-resident trust, the total amount of Gambian-source income derived by the trust for the year included in gross income reduced by the sum of the following –

(i) any part of that amount to which subsection (2) applies for the year and in respect of which the beneficiary has paid tax, and

(ii) the total deductions allowed to the trust for the year under this Act, other than amounts to which subsection (3) applies.

65. Taxation of bodies of persons

(1) A body of persons is liable to tax separately from the members of the body.

(2) A distribution of profits by a body of persons to a member shall not be included in the member's gross income.

66. Taxation of partnerships

(1) A partnership is liable to tax separately from the partners.

(2) A distribution of profits by a partnership to a partner is liable to tax under this Act as a dividend.

67. Taxation of companies

(1) A company is liable to tax separately from its shareholders.

(2) A shareholder is liable to tax on a dividend received from a company in accordance with this Act.

68. Change in control of an entity

(1) If there is a change of fifty *per cent* or more in the underlying ownership of an entity, any carry forward loss incurred for a tax year before the change is not allowed as a deduction in a tax year after the change, unless the entity –