

LAWS OF GUYANA

CORPORATION TAX ACT
CHAPTER 81:03

Act
30 of 1970
Amended by
25 of 1971

Current Authorised Pages

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CHAPTER 81:03

CORPORATION TAX ACT

ARRANGEMENT OF SECTIONS

SECTION

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16. Applications of the provisions of the Income Tax Act for the purposes of the Corporation Tax.

SCHEDULE—Supplementary provision relating to close companies.

An Act to impose a tax on the profits of companies and for purposes connected therewith. 30 of 1970

[12TH DECEMBER, 1970]

1. This Act may be cited as the Corporation Tax Act and shall be deemed to have come into force with respect to and from the year of assessment commencing 1st January, 1970.

Short title and commencement.

2. (1) In this Act—

Interpretation.
[25 of 1971]

“chargeable profits” means the aggregate amount of the profits of any company from the sources specified in section 4 remaining after allowing the appropriate deductions and exemptions under this Act;

“commercial company” and “company” have the meanings assigned to them in section 2 of the Income Tax Act;

c. 81:01

L.R.O. 1/1975

“corporation tax” means the tax imposed by this Act;

“investment company” means a resident company that in respect of a year of assessment satisfies the following conditions—

- (a) 100 per cent of the assets thereof are situate in Guyana;
- (b) at least 80 per cent of its property owned throughout the year was shares, bonds, marketable or securities;
- (c) not less than 90 per cent of its profits was derived from shares, bonds, or marketable securities;
- (d) not more than 50 per cent of its gross revenue for the year was from interest;
- (e) at no time in the year of income did more than 10 per cent of its property consist of shares, bonds, marketable securities of any one company or debtor, other than those of the Government;
- (f) at no time in the year of income was the number of shareholders of the company less than 50, none of whom at any time in the year held more than 25 per cent of the shares or the capital stock of the company;
- (g) 90 per cent or more of its profits (other than dividends or interest received in the form of shares, bonds, or other securities that had not been sold before the end of the year of income) was distributed to its shareholders within six months following the end of the accounting period for that year of assessment;

“non-resident company” means a company the control and management of whose business are exercised outside Guyana;

“preference dividend” means a dividend payable on a preferred share or preferred stock at a fixed gross rate per cent issued by a resident company before 31st January, 1969, or, where a dividend is payable on such a preferred share or preferred stock partly at a fixed gross rate per cent and partly at a variable rate, such part of that dividend as is payable at a fixed gross rate per cent;

“profits” means income and includes net chargeable gains accruing on a disposal of property within twelve months of its acquisition and deemed to be chargeable income for the purposes of the Income Tax Act by section 8 of the Capital Gains Tax Act;

“resident company” means a company the control and management of whose business are exercised in Guyana;

“year of assessment” means the period of twelve months commencing on 1st January, 1970, and each subsequent period of twelve months;

“year of income” means the year preceding the year of assessment.

(2) Without prejudice to any other case in which a company is engaged in or carrying on trade or business in Guyana, a company shall be deemed to be engaged in or carrying on trade or business in Guyana if it has an office or place of business in Guyana or has a branch or agency therein.

(3) For the purpose of this Act, dividends, including preference dividends, shall be treated as paid on the date when they become due and payable.

(4) For the purposes of the definition of "resident company" and "non-resident company", the place where such a company is to be regarded as controlled is the place where the mind or management of the company is ordinarily situated.

3. The corporation tax imposed by this Act shall be under the care and management of the Commissioner of Inland Revenue.

Adminis-
tration of
the Act.

4. Subject to this Act, corporation tax shall be payable for each year of assessment at the rate specified in section 10, upon the profits of any company accruing in or derived from Guyana or elsewhere, and whether received in Guyana or not in respect of—

Imposition
of corpora-
tion tax.

(a) any trade or business for whatever period of time the trade or business may have been carried on;

(b) any profession or vocation or management charges or charges for the provision of personal services and technical and managerial skills;

(c) capital gains accruing on a disposal of property within twelve months of its acquisition and deemed to be chargeable income for the purposes of the Income Tax Act by section 8 of the Capital Gains Tax Act;

c. 81:01
c. 81:20

(d) preference dividends;

(e) interests, discounts, annuities or other accrued or periodic payments received for the use of capital;

(f) premiums, commissions and fees;

(g) rentals and royalties paid for the use or the right to use—

(i) copyrights, artistic or scientific work, patents, designs, plans, secret processes or formulae, trade marks, motion picture films, films or tape for radio and television broadcasting, or other like properties or rights, or

(ii) information concerning industrial, commercial or scientific knowledge, experience or skill;

(h) dividends and other income received from non-resident companies, out of profits not derived from or accruing in Guyana, and from persons (including a partnership) not being companies;

(i) any annual profits not falling under any of the foregoing paragraphs.

General
scheme of
corporation
tax.

5. (1) Subject to any exceptions provided for by this Act, a resident company shall be chargeable to corporation tax on all its profits wherever arising.

(2) Where a non-resident company is carrying on a trade or business in Guyana, the profits thereof that are chargeable to corporation tax shall be any income directly or indirectly accruing in or derived from Guyana.

(3) A company shall be chargeable to corporation tax on profits accruing for its benefit under any trust or arising under any partnership in any case in which it would be so chargeable if the profits accrue to it directly; and a company shall be chargeable to corporation tax on profits arising in the winding up of the company, but shall not otherwise be chargeable to corporation tax on profits accruing to it in a fiduciary or representative capacity except as respects its own beneficial interest (if any) in those profits.

Basis of
assessment.
[25 of 1971]

6. (1) Corporation tax shall be charged for each year of assessment upon the chargeable profits of the company arising in the year preceding the year of assessment.

(2) Except as otherwise provided by this Act, corporation tax shall be assessed upon the full amount of the profits accruing or arising, whether or not received in Guyana, in the year preceding the year of assessment without any other deduction than is authorised by this Act.

Exemptions.

7. There shall be exempt from corporation tax—

(a) distributions, other than preference dividends, received by a company from a resident company;

(b) the profits of an investment company;

(c) the profits of any company to the extent that the income of that company is exempt from income tax by virtue of the Income Tax Act or any other law;

(d) the profits of any company which carries on in Guyana long-term insurance business as defined in the Insurance Act.

c. 81:01

c. 91:02

General
rules for
computation
of profits.
c. 81:01

8. (1) Except as otherwise provided by this Act, the chargeable profits of a company shall be computed in accordance with income tax principles relating to the Income Tax Act applied by section 16.

(2) Subject to any enactment applied by this Act which expressly authorises such an allowance, no allowance shall, subject to subsections (4) and (5), be made in ascertaining the chargeable profits—

(a) in respect of distributions; or

(b) in respect of any annuity or other annual payment.

(3) Subsection (2)(a) does not apply when the company makes a distribution that is a preference dividend, paid on or after 1st January, 1969, but so however that—

(a) the deduction that is allowed in ascertaining the chargeable profits shall not exceed the amount of the preference dividend;

(b) the deduction shall be allowed only in the year of income in which such preference dividend has actually been paid.

(4) Subsection (2)(b) does not apply when the company makes a disposition to which section 75(3) of the Income Tax Act applies.

c. 81:01

(5) Without prejudice to the generality of subsection (1), any provision of the Income Tax Act which confers an exemption from income tax, or which provides for a person to be charged to income tax on any amount (whether expressed to be income or not, and whether an actual amount or not), shall have the like effect for purposes of corporation tax so far as is consistent with this Act.

9. (1) In computing for purposes of corporation tax a company profits for any year of assessment there shall be made in accordance with this section all such deductions and additions as are required to give effect to the provisions of the Income Tax (In Aid of Industry) Act which relate to deductions and allowances and charges in respect of capital expenditure, as those provisions are applied by this Act.

Deductions and additions in computation of profits for capital allowances and related charges.
c. 81:02

(2) Allowances and charges which fall to be made for any year of assessment in computing the profits of a trade shall be given effect by treating the amount of any allowance as a trading expense of the trade in that year, and by treating the amount on which any such charge is to be made as a trading receipt of the trade in that year.

10. Subject to this Act, corporation tax shall be paid at the rate of thirty-five per cent of the chargeable profits of a commercial company, and at the rate of twenty-five per cent in the case of any other company.

Rate of tax.

11. (1) A close company shall distribute as dividend profits which can be distributed without detriment to the company's business.

Power to direct distribution of certain profits.

(2) With a view to preventing the avoidance of the payment of tax through the withholding from distribution of the profits of a close

company which could otherwise be distributed, it is enacted that where it appears to the Commissioner that such a company has not distributed to its members as dividend, profits which could be distributed without detriment to the company's existing business, the Commissioner, by notice in writing to the company, may direct that such profits shall thereupon be distributed, so however, that in determining whether any company has or has not distributed profits that could be distributed as aforesaid, the Commissioner shall have regard to the current needs and future development requirements of the company's business.

(3) Where, during any year of assessment, a close company, on an application made in the prescribed manner and within the prescribed time, satisfies the Commissioner on the basis of concrete evidence that such distribution could be prejudicial to the current needs or to the future development requirements or both of the company, the Commissioner may relieve such company from compliance with the directions under this section to such extent as it may consider appropriate, and the company shall thereupon be so relieved, so, however that if the Commissioner refuses so to relieve the company he may treat any such undistributed profits as distributed, and the persons concerned shall be assessable accordingly.

Deductions
for director's
remuneration.

c. 81:02

12. (1) In computing the profits of a close company for any year of assessment for the purpose of ascertaining the chargeable profits of such company, the deduction that may be made for the remuneration by way of fees of a director other than a whole-time service director shall not, subject to this section, exceed ten per cent of the chargeable profits, before making the deduction for that remuneration or for initial allowances, other than the allowance in respect of annual depreciation provided for by the Income Tax (In Aid of Industry) Act, but so that the deduction does not exceed three thousand dollars for each such director.

(2) In computing the profits of a close company for any year of assessment there may be allowed a deduction for the remuneration by way of fees paid to any director, who is required to devote substantially the whole of his time to the service of the company in a managerial or technical capacity of an amount not exceeding—

(a) twelve thousand dollars, in the case of the highest paid director;

(b) nine thousand six hundred dollars, in any other case,
so however, that where any such director receives remuneration by way of a salary as a full-time employee of the company, the company may not claim as a deductible expense an amount in excess of six thousand dollars in respect of the fees so paid.

(3) Notwithstanding anything in this section to the contrary, where any sum paid to a director of a close company exceeds an amount which in the opinion of the Commissioner appears to be fair and reasonable in view of the time provided by the director to the affairs of the company, the Commissioner may deem the excess of the amount paid to the director over what is considered to be fair and reasonable, to be a distribution by the company to the director.

13. The Schedule shall have effect for the interpretation and operation of the foregoing sections of this Act relating to close companies, and those sections shall have effect subject to and in accordance with the Schedule.

Supplementary provisions relating to close companies. Schedule.

14. (1) Except in so far as this Act otherwise provides, the Income Tax (In Aid of Industry) Act and any provisions of the Income Tax Act relating to the making of allowances or charges under or in accordance with the Income Tax (In Aid of Industry) Act apply equally for purposes of corporation tax and for purposes of income tax.

Application and adaptation of Income Tax (In Aid of Industry) Act as to capital allowance and other matters. c. 81:02 c. 81:01

(2) For the purposes of corporation tax the right to an allowance or liability to a charge for a year of assessment and the rate or amount of any such allowance, or charge, shall be determined under the provisions referred in subsection (1) by applying the law in force for the year of assessment.

(3) Where by virtue of this Act any provision of the Income Tax Act applies both to income tax and to corporation tax, it shall not be affected in its operation by the fact that they are distinct taxes but, so far as consistent with this Act, applies in relation to income tax and corporation tax as if they were one tax, so that, in particular, a matter which in a case involving two individuals is relevant for both of them in relation to income tax shall in a like case involving an individual and a company be relevant for him in relation to that tax and for it in relation to corporation tax; and for that purpose in any such provision of the Income Tax Act references to a deduction or allowance for the purpose of ascertaining chargeable income or to a specified provision of that Act shall, in the absence of or subject to any express adaptation made by this Act, be construed as being or including a reference to any corresponding deduction or allowance for the purpose of ascertaining chargeable profits or to any corresponding provision of this Act.

15. (1) Sections 89 and 90 of the Income Tax Act together with any other enactment relating or referring to double taxation relief shall have effect in relation to corporation tax and profits chargeable thereto as they are expressed to have effect in relation to income tax and income chargeable thereto.

Double taxation relief. c. 81:01

(2) Where dividends are paid by a company resident in a country outside Guyana to a company resident in Guyana which controls directly or indirectly not less than one-quarter of the voting power of the company paying the dividends, then for the purpose of allowing credit against corporation tax in respect of the dividends in accordance with the Fourth Schedule to the Income Tax Act, any Guyana tax payable by the first-mentioned company in respect of its profits (whether income tax or corporation tax) and any tax so payable under the law of any country outside Guyana shall be taken into account as if it were tax payable under the law of the first-mentioned country.

(3) For the purposes of this section a company shall be deemed to control, directly or indirectly, not less than one-quarter of the voting power in another company if a third company having such control also controls directly or indirectly not less than one-half of the voting power in the first-mentioned company.

Application
of the pro-
visions of the
Income Tax
Act for the
purposes of
Corporation
Tax.
c. 81:01

16. Subject to sections 8 and 9, the provisions of the Income Tax Act, in so far as they are applicable with reference to a company, apply *mutatis mutandis* in relation to corporation tax as they apply in relation to income tax.

s. 13

SCHEDULE

SUPPLEMENTARY PROVISIONS RELATING TO CLOSE COMPANIES

1. (1) For the purposes of this Act a "close company" is one which is under the control of five or fewer participators or of participators who are directors, except that the expression does not apply—

- (a) to a non-resident company;
- (b) to a statutory or registered co-operative or friendly society;
- (c) to a company controlled by or on behalf of the State; or
- (d) to a company falling within subparagraph (2).

(2) A company is not to be treated as a close company in any case where—

(a) by reason of beneficial ownership of shares in the company the control of it is in the hands of a company which is not a close company or of two or more companies none of which is a close company; and

(b) it could only be treated as a close company as being under the control of five or fewer participators, and it cannot be so

treated except by taking as one of the participators a company which is not a close company;

but so that references in this subparagraph to a close company, shall be construed as applying to any company which, if a resident company, would be a close company.

2. For the purposes of this Act relating to close companies, a company is to be treated as another's "associated company" at a given time if at that time, or at any time within one year previously, one of the two has control of the other or both are under the control of the same person or persons.

3. (1) For the purposes of this Act a person shall be taken to have control of a company—

(a) if he exercises, or is able to exercise, or is entitled to acquire, control, whether direct or indirect, over the company's affairs, and in particular, but without prejudice to the generality of the preceding words, if he possesses or is entitled to acquire, the greater part of the share capital or voting power in the company;

(b) if he possesses or is entitled to acquire, either—

(i) the greater part of the issued share capital of the company;

(ii) such part of that capital as would, if the whole of the profits of the company were in fact distributed to the members, entitle him to receive the greater part of the amount so distributed; or

(iii) such redeemable share capital as would entitle him to receive on its redemption the greater part of the assets which, in the event of a winding up, would be available for distribution among members; or

(c) if in the event of a winding up he would be entitled to the greater part of the assets available for distribution among members.

Where two or more persons together satisfy any of the conditions in paragraphs (a) to (c), they shall be deemed to have control of the company.

(2) In subparagraph (1) "member" includes any person having a share or interest in the capital or profits of the company, and for purposes of that subparagraph a person shall be treated as entitled to acquire anything which he is entitled to acquire at a future date or will at a future date be entitled to acquire; but for the purposes of subparagraphs (1)(b)(iii) and (c) any such loan creditor as is mentioned in

paragraph (4)(1)(b) may be treated as a member (and the references to share capital as including loan capital).

(3) For the purposes of subparagraph (1) there shall be attributed to any person any rights or powers of a nominee for him, that is to say, rights or powers which another person possesses on his behalf or may be required to exercise on his direction or behalf.

(4) For the purposes of subparagraph (1) there may also be attributed to any person all the rights and powers of any company of which he has, or he and associates of his have, control or any two or more such companies, or of any associate of his or of any two or more associates of his, including those attributed to a company or associate under subparagraph (3) but not those attributed to an associate under this subparagraph; and such attributions shall be made under this subparagraph as will result in the company being treated as under the control of five or fewer participators, if it can be so treated.

“PARTICIPATOR” AND “ASSOCIATE”

4. (1) For the purposes of this Act a “participator” is, in relation to any company, a person having a share or interest in the capital or profits of the company and, without prejudice to the generality of the preceding words, includes—

(a) any person who possesses or is entitled to acquire share capital or voting rights in the company;

(b) any person who is a loan creditor of the company otherwise than in respect of any loan capital or debt issued or incurred by the company for money lent by him to the company in the ordinary course of a business of banking carried on by him;

(c) any person who possesses or is entitled to acquire a right to receive or to participate in the distributions of the company or any amounts payable by the company (in cash or in kind) to loan creditors by way of premium on redemption;

(d) any person who is entitled to secure that the profits or assets (whether present or future) of the company will be applied directly or indirectly for his benefit.

(2) In subparagraph (1) references to “being entitled to do anything” apply where a person is presently entitled to do it at a future date or will at a future date be entitled to do it; and “loan creditor” means a creditor in respect of any redeemable loan capital issued by the company or in respect of any debt incurred by the company or in respect of any debt incurred by the company, being a debt—

(a) for money borrowed or capital assets acquired by the company;

(b) for any right to receive profits created in favour of the company; or

(c) for consideration the value of which to the company was (at the time when the debt was incurred) substantially less than the amount of the debt (including any premium thereon).

5. For the purposes of this Act relating to close companies, "associate" means, in relation to a participator—

(a) a person in any of the following relationships to the participator, that is to say, husband or wife, parent or remoter forebear, child or remoter issue, brother or sister, and partner;

(b) the trustee or trustees of any settlement in relation to which the participator is, or any such relative of (a) is or was a settlor;

(c) where the participator is interested in any shares or obligations of the company which are subject to any trust or are part of the estate of a deceased person, any other person interested therein,

and has a corresponding meaning in relation to a person other than a participator.

"DIRECTOR" AND "WHOLE-TIME SERVICE DIRECTOR"

6. (1) For the purposes of this Act relating to close companies, "director" and "whole-time service director" have the meaning assigned to them by this paragraph.

(2) "Director" includes any person occupying the position of director by whatever name called, any person in accordance with whose directions or instructions the directors are accustomed to act and any person who—

(a) is a manager of the company or otherwise concerned in the management of the company's trade or business; and

(b) is remunerated out of funds of that trade or business; and

(c) is, either on his own or with one or more associates, the beneficial owner of, or able, directly or through the medium of other companies or by any other indirect means, to control 20 per cent, or over of the ordinary share capital of the company ("ordinary share capital" here meaning all the issued share

capital, by whatever name called, other than capital the holders whereof have a right to a dividend at a fixed rate but have no other right to share in the profits of the company).

c. 81:01 (3) "Whole-time Service Director" has the same meaning as in section 2 of the Income Tax Act.

SUBSIDIARY LEGISLATION

CORPORATION TAX (PAYMENT) REGULATIONSReg. 21/1970
6 of 1974*made under section 16*

1. These Regulations may be cited as the Corporation Tax (Payment) Regulations. Citation.

2. The Income Tax (Payment of Tax by Companies) Regulations 1974 shall as the same apply in relation to the payment of income tax by companies, apply *mutatis mutandis* in relation to the payment of corporation tax. When Corporation Tax to be paid. [Reg. 6/1974] c. 81:01 Sub-. leg.

CORPORATION TAX (PRESCRIBED FORM) REGULATIONS

Reg. 10/1972

made under section 16

1. These Regulations may be cited as the Corporation Tax (Prescribed Form) Regulations. Citation.

2. The Form set out in the Schedule is prescribed as the form of the return of the profits of a company to be delivered duly completed to the Commissioner for the purposes of the Act. Prescribed Form in Schedule.

[Subsidiary]

Corporation Tax (Prescribed Form) Regulations

COMPANY

CONFIDENTIAL

SCHEDULE

GUYANA
CORPORATION TAX

Made Under the Income Tax Act Cap. 81:01
As Applied By Sec. 16 Of the Corporation Tax Act

File No.

YEAR OF ASSESSMENT ENDING THE 31st DECEMBER, 19
RETURN TO BE MADE OF THE PROFITS OF THE PRECEDING YEAR ENDED
31ST DECEMBER, 19

To be delivered to the Commissioner of Inland Revenue, P.O. Box 1032, Georgetown on or before 30th April, 19 , with the Information and Applicable Schedules required by this Return.

1. Name of Company.....

BLOCK LETTERS

2. AddressTelephone No.

3. Nature of Business.....

4. Accounting Period—From: To:

5. Principal Business Activity

6. Principal Product

7. Tick Box If: ☐ Commercial Company (See Sec. 2 Income Tax Act, Cap. 81:01.) ☐ Non Commercial Company ☐ Close Company (See Schedule to Corporation Tax Act Cap. 81:03) ☐ Insurance Company carrying on Long Term Business as Defined in Sec. 2 of the Insurance Act Cap. 91:02 ☐ Investment Company (See Corporation Tax Act Sec. 2(1)(a) to (g).) ☐ Non Resident Company (See Corporation Tax Act Sec. 2 (1) and Sec. 2 (4).)

8. LAST INCOME TAX RETURN WAS FILED FOR THE YEAR OF ASSESSMENT
19.....

GENERAL DECLARATION

I, declare that this is a true and correct return of the
whole of the profits of
(Name of Company)

from every source whatsoever chargeable under the Corporation Tax Act and that the schedules
and statements included in the return are true and correct, and I further
declare that I am authorised by
to sign the return on behalf of the said company.

Given under my hand this day of19

Signature

Office

STATEMENT OF CORPORATION TAX DUE AND PAID

(To Be Filled In By Taxpayer)

9. CHARGEABLE PROFITS (Taken from Line 32 of Page 2)

10. INSTALMENTS PAID IN RESPECT OF YEAR OF ASSESSMENT 19			
INSTALMENT DUE DATE	RECEIPT No.	DATE PAID	AMOUNT
DECEMBER 19			
MARCH 19			
TOTAL INSTALMENTS PAID PRIOR TO DUE DATE FOR SUBMISSION OF RETURN.			.....(A)

11. OTHER PAYMENTS (IF ANY) IN RESPECT OF YEAR OF ASSESSMENT 19(B)

12. TOTAL PAYMENTS IN RESPECT OF YEAR OF ASSESSMENT 19 (A + B)(C)

13. TOTAL LIABILITY FOR YEAR OF ASSESSMENT 19 (From Line 38 of Page 2)

14. LESS TOTAL PAYMENTS IN RESPECT OF YEAR OF ASSESSMENT 19 (C Above)

15. BALANCE OF TAX DUE AND PAYABLE

16. BALANCE DUE ON FOLLOWING DATES

INSTALMENT DUE DATE	AMOUNT
JUNE 19	
SEPTEMBER 19	

17. REFUND (IF ANY)

FOR OFFICIAL USE ONLY

Amount Paid To 30th April, 19 In Respect of Year Of Assessment 19

June 19 Instalment—Receipt No.Dated
ForSeptember 19 Instalment—Receipt No.Dated
For

Total Tax Paid In Respect Of The Year Of Assessment 19

Amount	Cashier's Signature

COMPUTATION OF TAX LIABILITY—See Instructions on Page 10

Income			G\$	
1.	Gross Receipts or Gross Sales (<i>Schedule A</i>)...	1
2.	Returns and Discounts Allowed	2
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7.	Interest (<i>Attach Schedule</i>)	7
8.	Rents (<i>Attach Schedule</i>)	8
9.	Royalties	9
10.	Balancing Charge (<i>Schedule H</i>)	10
11.	Capital Gains deemed Income (<i>Schedule D</i>)	11
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16.	Repairs (<i>Attach Schedule</i>)	16
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25.	Balancing Allowance (<i>Schedule H</i>)	25
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NOTE: (a) Reconciliation of Chargeable Profits with Balance on Profit and Loss Account should be made on Schedule L.

SCHEDULE A—GROSS RECEIPTS OR GROSS SALES

Activity	Gross Receipts Or Gross Sales (a)	Gross Profit
1	2	3
	\$	\$
1. Agriculture, Forestry and Fishing
2. Mining
3. Quarrying
4. Manufacturing including Refining and Processing
5. Construction
6. Transport and Communications
7. Wholesale Trade
8. Retail Trade
9. Finance, Banking and Insurance ex- cluding Long Term Insurance
10. Other (State activity)
Total	(b)	(c)

Instructions

- (a) Enter gross receipts or gross sales from all business operations except those required to be reported in lines 6 through 12 of Page 2.
- (b) Enter the total of Column 2 on Line 1 of Page 2.
- (c) The total of Column 3 should equal the amount appearing on Line 5 of Page 2.

SCHEDULE B—COST OF SALES OR OPERATIONS

	\$	¢
1. Stock at beginning of year... ..	.....	.....
2. Purchases of Goods for Sale or Manufacture ... ..	.....	.....
3. Direct Salaries and Wages... ..	.....	.....
4. Other Direct Costs per Accounts... ..	.....	.....
5. Sum of Lines 1 to 4 ... ..	.....	.....
6. Stock at end of year ... ..	.....	.....
7. Cost of Sales or Operations (Line 5 less Line 6). Enter here and on Line 4 of Page 2 ... ..	.....	.....

Instructions

- (a) Cost of Sales—If the production, manufacture, purchase or sale of merchandise is an income-determining factor in the trade or business stocks of merchandise on hand should be taken at the beginning and end of the accounting period, and may be valued at cost or market value, whichever is lower.
- (b) A method of stock valuation once properly adopted is binding until permission to change is obtained from the Commissioner of Inland Revenue. Application for permission to change a method of stock valuation must be made in writing and filed with the Commissioner of Inland Revenue within ninety (90) days after the beginning of the income year in which it is desired to effect a change.
- (c) In case the stocks reported do not agree with the balance sheet, attach a statement explaining the difference.
- (d) Stock lists should be retained by the company.

[Subsidiary]

Corporation Tax (Prescribed Form) Regulations

SCHEDULE C—INCOME FROM DIVIDENDS AND OTHER DISTRIBUTIONS

Name and Address of Company from which Distributions (including Dividends) are Received	Total Distributions Received (Sum of Columns 3 to 9)	FROM RESIDENT COMPANIES			FROM NON-RESIDENT COMPANIES			
		Preference dividend i.e. on Preference (Shares issued before 31st Jan. 19)	Other Dividends	Distributions other than Dividends	Carrying on business in Guyana		Not carrying on business in Guyana	
					3	4	5	Dividends 6	Distributions other than Dividends 7	Dividends 8	Distributions other than Dividends 9
1	2	3	4	5	6	7	8	9
	\$	\$	\$	\$	\$	\$	\$	\$
Totals	(b)		(c)	(c)				

Instructions

- (a) Dividend Warrants must be submitted. (b) Enter the total of Columns 2 on Line 6 of Page 2. (c) Show total of Columns 4 and 5 in Line 2 of Schedule I

SCHEDULE D--CAPITAL GAINS DEEMED INCOME

(Capital Gains Act Cap. 81.20)

Assets held for not more than 12 months

[illegible]

Note: If Net Gain enter in line 11 of page 2.

[Subsidiary]

Corporation Tax (Prescribed Form) Regulations

SCHEDULE E—REMUNERATION OF DIRECTORS (Close Companies Only)

[illegible]

Enter Total of Column 9 in Line 14 of Page 2 ...

If no payments were made write "NONE" in this box

Instructions

- (a) In Column 3, P.T. means "Part-time" and W.T. means "substantially the whole of his time".
 (b) To determine allowable deductions (Column 9) see section 12 of Corporation Tax Act.

SCHEDULE F—PART I

Gross Payments

	Total Payments to Residents and Non-Residents (b) 1	Payments made or Credited to Non-Residents (c) 2	Amount of withholding tax deducted and paid to Commissioner of Inland Revenue 3
	\$	\$	\$
1. Interest on Debt, Mortgage or Security
2. Rentals
3. Royalties
4. Management Charges (b)
5. Charges for Personal Services and Technical and Managerial Skills (d)
6. Premiums (other than Premiums paid to Insurance Companies and Contributions to Pension Funds and Schemes)
7. Commissions, Fees and Licences
8. Discounts
9. Other
TOTAL PAYMENTS	(a)		

Instructions

- (a) Enter total of Column 1 on Line 18 of Page 2.
- (b) Totals of Columns 1 and 2 must not include amounts deducted under any other item listed on Page 2. Nor must they include payments which will be treated as distributions under Section 38(1)(d) and (9) of the Income Tax Act. Show payments under Section 37(a) separately in Part 111 of this Schedule.
- (c) Include in Column 2 payments without any deductions whatsoever made or credited to any person not resident in Guyana or to any person on behalf of such non-resident person, and to every non-resident company where such person or company is not engaged in trade or business in Guyana. Give details of these payments in Part II of this Schedule.
- (d) In the case of payments of (1) Management Charges and (5) Charges for Personal Services and Technical and Managerial Skills to Head Office, Parent, Subsidiary or Associated company the basis of the calculation together with details thereof should be supplied.

Corporation Tax (Prescribed Form) Regulations

SCHEDULE F—PART II

Gross Payments to Non-Residents

[illegible]

7

Gross Payments to Participators

[illegible]

Instructions

(a) Include in Column 3 only payments of interest made or consideration given to a participant who is also a director (other than a whole-time service director) or to an associate of such participant/director.

(b) In the case of tangible property or copyrights, the excess over what the Commissioner may consider to be reasonable consideration therefore shall be treated as a distribution. (Section 38(10)).

SCHEDULE G—WEAR AND TEAR ALLOWANCE

Description of Asset, (d)(e)	Written Down Value at the beginning of the Accounting Period	Additions (Disposals) during the Accounting Period (f)	Date of Additions or Disposals	Initial Allowance		Wear and Tear Allowance		Written Down Value at the end of the Accounting period (or at the date of disposal) (c)
				Rate	Allowance	Rate	Allowance	
1	2	3	4	5	6	7	8	9
	\$	\$		%	\$	%	\$	\$
Totals...					(a)		(b)	

Instructions

(a) Enter the total of Column 6 on Line 22 of Page 2.

(b) Enter the total of Column 8 on Line 23 of Page 2.

(c) Enter in Column 9 the sum of Columns 2 and 3 less the sum of Columns 6 and 8.

(d) Where newly acquired items appear, indicate whether they are new or second-hand assets.

(e) Items that have been disposed of should be entered on this Schedule as well as on Schedule H.

(f) Bracket disposals in Column 3.

SCHEDULE H-BALANCING CHARGES AND ALLOWANCES

Description of Assets	Purchase Price	Date of Purchase	Date of Disposal	Written Down Value at the Date of Disposal	Total Allowances Granted	Proceeds of Sale or Trade-in Value	Balancing Charge (Profit) (a)	Balancing Allowances (Loss) (a)
1	2	3	4	5	6	7	8	9
	\$			\$	\$	\$	\$	\$
Totals								

Instructions

(a) The Balancing Charge or Allowance is the difference of Columns 5 and 7; but the Balancing Charge is restricted to the amount of allowance granted in Column 6.

(b) Enter Balancing Charge on Line 10 of Page 2.

(c) Enter Balancing Allowance on Line 25 of Page 2.

SCHEDULE I-TAX EXEMPT PROFITS

	\$	c.
1. INTEREST—Transfer from the Schedule on Interest		
2. DIVIDENDS—Enter the sum total of Columns 4 and 5 of Schedule C ...		
3. PREFERENCE DIVIDENDS—Enter receipts of Preference Dividend paid out of Tax Exempt Profit where such dividends are exempt under specific enactments (a)		
4. CAP. 81:02 AND OTHER TAX EXEMPT PROFITS—Not reported in Lines 1 to 3 above (c)		
Total		

Instructions

(a) Preference Dividends has the meaning given to it in Section 2(1) of the Corporation Tax Act.

(b) **CAP. 81:02 and other Tax Exempt Profits**—Separate Financial Statements together with a statement in the form of Page 2 of this return **MUST** be furnished in respect of each company enjoying tax holiday status. Where a special account showing the distribution and payments of interest made out of the tax exempt profits is maintained as mentioned this account should also be attached.

[Subsidiary]

Corporation Tax (Prescribed Form) Regulations

SCHEDULE J-PAYMENTS UNDER DEEDS OF COVENANT

Registered Number of Covenant	Date of Execution of Covenant	Term of Cov- enant	Name of Covenantee	Address of Covenantee	Payments under Covenants exe- cuted		Amount of Tax Withheld and paid to Commissioner of Inland Revenue	
					6	7	8	
1	2	3	4	5	\$	\$	\$	c.

Instruction

Enter the amount claimed here.....and on Line 31 of Page 2.

SCHEDULE K-DOUBLE TAX RELIEF

Name of Company or Person from whom In- come is received (grouped according to country)	Type of Income (Divi- dends, Interest, Royalties, Rent, &c.) (b)	% of the issued shares of voting stock of the paying company owned by the receiving company, where applicable	Gross Income before deduction of tax in Foreign Country (b)	Tax paid in Foreign Country (b)		Rate of Tax suffered in Foreign Country (b)	Relief Claimed	
1	2	3	4	5	6	7	8	9
		%	\$	\$	c.		\$	c.
Totals ...								(a)

Instructions

- (a) Enter the total of Column 7 on Line 35 of Page 2.
 (b) Where different types of income are subject to different rates of tax in any foreign country, show separately under Columns 2, 4, 5, and 6 the different amounts applicable.
 (c) Certificates of Assessment should be supplied where applicable.

SCHEDULE L—RECONCILIATION OF CHARGEABLE PROFITS WITH BALANCE OF PROFIT AND LOSS ACCOUNT

PROFIT/LOSS AS PER PROFIT AND LOSS ACCOUNT: \$
ADD/DEDUCT EXPENSES NOT ALLOWABLE:

(1)	\$.....	
(2) .....	.....
(3) .....	.....
(4) .....	.....
(5)	_____	\$ _____
		\$ _____

DEDUCT/ADD ALLOWABLE EXPENSES NOT CHARGED AND EXEMPT INCOME INCLUDED
IN ACCOUNTS:

(1)	\$.....	
(2) .....	.....
(3) .....	.....
(4) .....	.....
(5)	_____	\$ _____
Chargeable Profits as on Line 32 of Page 2.		\$ _____

Instructions

General:

- (a) Attach Audited Balance Sheet, Manufacturing, Trading, Profit and Loss and Appropriation Accounts and a Reconciliation of Fixed Assets.
- (b) Where Schedule space is insufficient, use separate Schedules in the format indicated in the return.
- (c) Do not make more than one entry on a line.
- (d) New companies please supply:—
 - (i) Date of commencement of business.
 - (ii) Opening balance sheet.
 - (iii) Copies of memorandum and articles of association.
 - (iv) Copies of any agreement regarding the acquisition of the business of any proprietorship, partnership, or company.

Page 1:

- Line 5—State the principal business activity which accounts for the largest percentage of gross receipts.
Line 6—State the principal product of the activity reported at Line 5.

Page 2:

Line 7—Interest—

- (a) Particulars to be included in Schedule are interest received from mortgages, loans, bank accounts, debentures, bonds, and other sources.
- (b) Include and show separately, tax exempt interest (Transfer to Schedule I).

[Subsidiary]

Corporation Tax (Prescribed Form) Regulations

Line 8—Rents—

- (a) Attach a schedule showing the situation of each property, the gross rent received and full particulars of expenses on repairs, rates and taxes, fire insurance premiums and interest on mortgage or loan, stating to whom such interest was paid.
- (b) Enter on Line 8 all gross rents received.
- (c) Expenses should be included in the appropriate lines for Deductions.

Line 12—Other Income—

- (a) Enter gross amount of other income not reported elsewhere in the return and attach schedule showing details.
- (b) Include recoveries of bad debts deducted in prior years.

Line 16—Repairs—

- (a) A full description of all repairs carried out should be given.
- (b) Do not include expenditure in respect of extensions, improvements or structural alterations or any expenses not wholly and exclusively incurred in the production of the Income.
- (c) If details have already been supplied in the schedule on rents, particulars need not be repeated.

Line 17—Bad and Doubtful Debts—

- (a) Enter only debts incurred in any trade, business, profession or vocation.
- (b) Particulars to be supplied are:—
 - (i) The name and address of the debtor.
 - (ii) The amount of the debt.
 - (iii) The nature of the debt.
 - (iv) The length of time the debt has been outstanding.
 - (v) The reason for write-off.
 - (vi) What attempts have been made to collect the debt.
- (c) Where a provision is made for doubtful debts, indicate whether it is general or specific; if specific the above details are to be furnished.

Line 19—Rates and Taxes—

- (a) Enter rates, taxes paid or accrued during the accounting period and attach a schedule showing the type and amount of tax.
- (b) Do not include Income Tax or Corporation Tax, or Property Tax.
- (c) If details have already been supplied in the schedule on rents, particulars need not be repeated.

Line 20—Advertising—

Enter the total amount incurred on advertising during the accounting period. Expenditure on advertising must be wholly and exclusively incurred in the production of the income.

Line 22—Preference Dividends—

Enter only dividends actually paid on or after 1st January, 19 in respect of Preference Shares issued before 31st January, 19 .

Line 26—Other Deductions—

- (a) Enter any other deductions wholly and exclusively incurred in the production of the income for which no space is provided in the return.
- (b) Such deductions, if claimed, should be detailed and explained in the schedule.

Line 34—Tax Relief for Losses Brought Forward—

- (a) The set-off in respect of previous years' losses is limited to one-half of the tax on the chargeable income (Line 33 of Page 2).
- (b) Show:
 - (i) Amount of loss brought forward from previous year.
 - (ii) Amount set off this year.
 - (iii) Amount of loss to be carried forward to the following year.

RATES OF TAX

1. Corporation Tax

- (a) Commercial Company Thirty-Five Per cent (35%)
 (b) Non-Commercial Company Twenty-Five Per cent (25%)

2. Income Tax

- (a) Long Term Insurance Companies Forty-Five Per cent (45%)
 (b) All Other Companies Except Investment
 Companies Twenty Per cent (20%)

3. Withholding Tax On Distributions

Type of Company	Distribution To:	Rate Of Tax
(i) Commercial	(a) Company (Resident or Non-Resident)	Forty Per cent (40%)
	(b) Non-Resident Individual over \$10,000.00	Forty Per cent (40%)
	(c) Non-Resident Individual \$10,000.00 and under	Thirty-one Per cent (31%)
(ii) Non Commercial (Except Long Term Insurance)	(a) Company (Resident or Non-Resident)	Thirty-Five Per cent (35%)
	(b) Non-Resident Individual over \$8,000.00	Thirty-Five Per cent (35%)
	(c) Non-Resident Individual \$8,000.00 and under	Twenty-Seven Per cent (27%)
(iii) Long Term Insurance	(a) A Company (Resident or Non-Resident)	Forty-Five Per cent (45%)
	(b) A Non-Resident Individual	Forty-Five Per cent (45%)

4. Withholding Tax On Payments

The Rate of Tax on all payments is Twenty-Five Per cent (25%).

PENALTIES

1. Any person chargeable with tax who refuses, fails or neglects to deliver a Return of his Profits to the Commissioner on or before the prescribed day in every year is liable to a penalty not exceeding \$500.00.

2. Where a person refuses, fails or neglects to make a return of chargeable Profits for the year immediately preceding the Year of assessment within the time specified in a notice issued by the Commissioner to such person under sec. 60 (4) of the Income Tax Act, the Commissioner shall add to the assessment a sum equal to five per cent of the amount of tax assessed.

3. Any person who without reasonable excuse makes an incorrect return by omitting or understating any income of which he is required by the Act to make a return, whether on his own behalf or on behalf of another person, or makes an incorrect statement in connection with a claim for deduction in estimating taxable income; or gives any incorrect information in relation to any matter or thing affecting his own liability to tax or the liability of any other person, is liable to a fine not exceeding \$1,000.00 and double the amount of the tax which has been or would have been undercharged in consequence thereof.

4. Any person who knowingly makes any false statement or representation in any Corporation Tax Return, or who keeps or prepares false accounts of any profits chargeable to Corporation Tax, or aids, or abets any person in such offences, is liable to a fine not exceeding \$1,000.00 and treble the amount of tax which has been undercharged in consequence of such false account, particulars, return, statement, information or representation or would have been so undercharged if the account, particulars, return, statement, information or representation has been accepted as correct or imprisonment for six months, or to both such fine and imprisonment.
