**FORM 84-1**

**Rev March 2016**

REPUBLIC OF SOUTH SUDAN

Ministry of Finance and Economic Planning

Directorate of Taxation

**Business Profits Tax Return for the Tax Period 1 January 20\_\_\_\_ to 31 December 20\_\_\_\_**

This form is prescribed by the Director General of Taxation in accordance with Section 84.1 of the Taxation Act of 2009

Use this return form **ONLY** if you are a business organization required to be registered under the Taxation Act, 2009. If you are an individual, or organization of individuals, liable to Personal Income Tax, use Form 63.1.

|  |  |
| --- | --- |
| **Name** | **Taxpayer Identification Number** |
| **Address** | **Business Telephone Number:** |

**Section 1: Income**

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| **1.1. Total Business Income (from Sales of Goods and Services before expenses): did you have any income from business activity – *enter total amount in box 1.1; If none – leave blank*** | **1.1** |
| **1.2. Cost of Goods Sold – *Complete Schedule A* *and enter amount from Box A4 in Box 1.2*** | **1.2** |
| **1.3. Operating Income *subtract the amount in box 1.2 from the amount in box 1.1 and enter the result in box 1.3*** | **1.3** |
| **2. Interest Income: Did you receive any interest income (do not include interest that was subject to final withholding under Chapter XIV) – *enter total interest received in box 2.1; If none – leave blank*** | **2.1** |
| **3. Dividend Income: Did you receive any dividend income (do not include dividends that were subject to final withholding under Chapter XIV) – *enter total interest received in box 3.1; If none – leave blank*** | **3.1** |
| **4. Fees and Service Charges: Did you receive any income from fees or service charges not included in Total Business Income (1.1) – *enter total amount received in box 4.1; If none – leave blank*** | **4.1** |
| **5. Rent & Hire Charges: Did you receive any income from the use of moveable or immoveable property not included in Total Business Income (1.1) – *enter amount received in box 5.1; If none – leave blank*** | **5.1** |
| **6. Royalties, Patents, Copyrights: Did you receive any income from the use of royalties, patents, or copyrights not included in Total Business Income (1.1) – *enter amount received in box 6.1; If none – leave blank***  | **6.1** |
| **7. Sale of Land/Buildings: Did you make a gain from the sale of an interest in immoveable property not included in Total Business Income (1.1) – *enter amount in box 7.1; If none – leave blank*** | **7.1** |
| **8. Sale of Moveable Property: Did you make a gain from the sale of moveable property (excluding inventory), not included in Total Business Income (1.1) – *enter amount in box 8.1; If none – leave blank*** | **8.1** |
| **9. Other Income: Did you earn any other income or make a gain from any other source, not included in boxes 1.3 through 8.1 Also include net foreign source income from box D5 (Do not include foreign losses) *enter amount in box 9.1; If none – leave blank*** | **9.1** |
| **10. Gross Income – enter the total of boxes 1.3 through 9.1 in box 10.1 and in box 20.1** | **10.1** |

**Section 2: Deductions**

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| **11. General: Did you incur any expenses wholly and exclusively in connection with your economic activities Do not include any expenses *that are reported in Schedule A, Cost of Goods Sold – enter amount in box 11.1; If none – leave blank*** | **11.1** |
| **12. Contributions: Did you make any contributions to organizations for humanitarian, health, education, religious, scientific, cultural, or environmental purposes (Limited by Section 70.3 of Taxation Act 2009)*****Enter amount in box 12.1; if none – leave blank*** | **12.1** |
| **13. Representation Costs: Did you incur any costs relating to the promotion of your business or its products (including publicity, advertising, entertainment, and representation), limited by Section 70.4 of Taxation Act 2009 – *enter amount in box 13.1; if none – leave blank*** | **13.1** |
| **14. Bad Debts: Did you write-off any debts that qualify as bad debts (Section 71, Taxation Act 2009 - *enter amount in box 14.1; if none – leave blank*** | **14.1** |
| **15. Reserve Funds: Did you set aside any reserve funds as authorized by law (FOR BANKS ONLY) limited by Section 72.3 of the Taxation Act 2009 - *enter amount in box 15.1; if none – leave blank*** | **15.1** |
| **16. Depreciation: Did you incur any depreciation expenses during the tax period (Complete Schedule B ) *enter amount from B4 in box 16.1; if none – leave blank*** | **16.1** |
| **17. Exploration and Development: Did you incur any exploration or development costs in respect of natural resources during the tax period (Complete Schedule C ) *enter amount from box C5 in box 17.1; if none – leave blank*** | **17.1** |
| **18. Asset Sales: Did you incur any loss from the sale or disposal of any assets (including land and securities – does not include inventory) - *enter amount in box 18.1 as a positive number; if none – leave blank*** | **18.1** |
| **19. Total Deductions (add boxes 11.1 through 18.1 and enter the result in box 19.1** | **19.1** |

**Section 3 – Calculation of Taxable Profit**

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| **20. Enter amount of gross income from box 10.1 in box 20.1** | **20.1** |
| **21. Enter amount of total deductions from box 19.1 in box 21.1** | **21.1** |
| **22. If the amount in box 20.1 is greater than the amount in box 21.1, enter the difference in box 22.1 – this is your taxable profit; enter the amount in box 22.1 in box 24.1**  | **22.1** |
| **23. If the amount in box 21.1 is greater than the amount in box 20.1 enter the difference in box 23.1 as a negative number – this is your loss for the tax year.** | **23.1** |

**Section 4 – Calculation of Loss Carryforward**

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| **24. Enter the taxable profit (box 22.1) – *if none – leave blank*** | **24.1** |
| **25. Enter the amount of loss from box 23.1 as a positive number – *if none – leave blank*** | **25.1** |
| **26. Enter the amount of allowable loss Carryforward from previous years (limited by Section 78.2, Taxation Act 2009) – *if none – leave blank*** | **26.1** |
| **27. Add boxes 25.1 and 26.1 (this is your total loss)** | **27.1** |
| **28. Loss Carryforward: if box 27.1 is greater than box 24.1, enter the difference in box 28.1 as a negative number and enter Zero (0) in box 30.1. This is the amount of loss carried forward to next year, subject to limitations of Section 78.2, Taxation Act 2009.** | **28.1** |
| **29. Adjusted Taxable Profit: if box 24.1 is greater than box 27.1, enter the difference in box 29.1 and in box 30.1.** | **29.1** |

**Section 5 – Tax Computation**

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| **30. Amount of adjusted taxable profit from box 29.1, or zero (box 28.1) whichever is applicable** | **30.1** |
| **31. If a small business (annual turnover (income from all sources) less than 1,000,000), multiply taxable profit (box 30.1) by .10 and enter the result in box 31.1** | **31.1** |
| **32. If a medium business (annual turnover (income from all sources) 1,000,000 up to 30,000,000) multiply taxable profit (box 30.1) by .20 and enter the result in box 32.1** | **32.1** |
| **33. If a large business (annual turnover (income from all sources) 30,000,000 or more), multiply taxable profit (box 30.1) by .25 and enter the result in box 33.1** | **33.1** |
| **34. Tax: enter the amount from box 31.1, 32.1, or 33.1, whichever is applicable in box 34.1 and in box 40.1.** | **34.1** |

**Section 6 – Credits for Tax Paid**

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| **35. Advance Payments: Enter the total amount of quarterly advance payments made per Section 83 of Taxation Act 2009 – *if none – leave blank*** | **35.1** |
| **36. Tax withheld at source: Enter the amount of tax withheld at source on income reported (do not include tax withheld on interest or dividends per Chapter XIV) – *if none – leave blank*** | **36.1** |

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| **37. Foreign Taxes: tax withheld, or paid, on income earned outside South Sudan (Limited by Section 82 Taxation Act 2009) enter the credit amount from Schedule D, FTC Total box – *if none – leave blank*** | **37.1** |
| **38. Tax Withheld on Imported Goods: advance payment of income tax withheld at time of import per Chapter XIII– *if none – leave blank*** | **38.1** |
| **39. Total Credits: add boxes 35.1 through 38.1 and enter in box 39.1 and box 41.1 – *if none – leave blank*** | **39.1** |

**Section 7 – Final Tax**

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| **40. Tax Due: enter amount from box 34.1 in box 40.1 – *if none – enter zero (0)***  | **40.1** |
| **41. Total Credits: enter amount from box 39.1 – *if none – leave enter zero (0)*** | **41.1** |
| **42. Final Settlement: if box 40.1 is greater than box 41.1, enter the difference in box 42.1. This is the amount of additional tax you owe. Take this return and your payment to the nearest authorized commercial bank and make payment of this amount.**  | **42.1** |
| **43. Overpayment: if box 41.1 is greater than box 40.1, you may be eligible for a refund if you owe no other national taxes.**  | **43.1** |

DECLARATION

I declare that the information I have given in this return is correct and complete to the best of my knowledge and belief. I acknowledge that the filing of this return showing a liability for tax shall be treated as an assessment of the tax, that notice of and demand for the tax to be paid has been given, and that the tax is a debt owing and payable to the Republic of South Sudan, which may be collected pursuant to the provisions of the Taxation Act, 2009.

Signature  Date 

|  |
| --- |
| **DECLARATION BY REPRESENTATIVE/Certification by Accountant (Reg. 1.84(1)(c))**I declare that the information in this return is correct and complete to the best of my knowledge and belief, based on the documents and information disclosed to me by the taxpayer and that I have exercised due diligence in reviewing books of accounts. I confirm that I have received a fee for preparing this return on behalf of the taxpayer, or for the purpose of reviewing the return to certify its accuracy and completeness.Business Name Personal Name/Signature Name of Taxpayer Taxpayer TIN  |

**Schedules**

|  |  |
| --- | --- |
| **Taxpayer Name** | **Taxpayer Identification Number** |

**Schedule A – Cost of Goods Sold**

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| **Inventory of goods held for sale at beginning of year** | **Box A1.** |
| **Purchases of goods for sale during the year** | **Box A2.** |
| **Inventory of goods held for sale at the end of the year** | **Box A3.** |
| **Cost of Goods Sold Box A1 + A2 – A3; enter result in Box A4 and in Box 1.2**  | **Box A4.** |
| **Inventory Method Used:** □ **FIFO** □ **LIFO *(once chosen, inventory method cannot be changed without authorization from Director General of Taxation)*** |

**Schedule B - Depreciation (Section 74 of Taxation Act 2009)**

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| **B1. Total Amount of Depreciation for Category 1** | **Box B1**  |
| **B2. Total Amount of Depreciation for Category 2** | **Box B2**  |
| **B3. Total Amount of Depreciation for Category 3** | **Box B3**  |
| **B4. Total Depreciation for all Categories – total of boxes B1 through B3 (enter amount from Box B4 in Box 16.1)**  | **Box B4**  |

**Schedule C – Amortization**

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| **C1. Total Costs of exploration and development** | **Box C1** |
| **C2. Total estimated life of the natural resource deposit** | **Box C2** |
| **C3. Units extracted during the current tax period** | **Box C3** |
| **C4. Units to be extracted over the life of the asset**  | **Box C4** |
| **C5. Divide the amount in box C3 by the amount in Box C4 and multiply by the amount in Box C1 – enter the result in Box C5 and Box 17.1** | **Box C5** |

The amount allowed as an amortization deduction with respect to exploration and development costs for the tax period shall be determined by multiplying the balance of the capital account by the following fractions:

(a) the numerator of which the units are extracted from the natural deposit during the year; and,

(b) the denominator of which the estimated total units to be extracted from the natural deposit over the life of the asset.

**Schedule D - Foreign Tax Credit**

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| **D 1. Current Year Tax Liability from Box 40.1** | **Box D 1.**  |
| **D 2. Total Taxable Profit For Current Year from Box 29.1** | **Box D 2** |
| **D3. Foreign source total income**  | **Box D 3.** |
| **D4. Deductible expenses relating to foreign income** | **Box D 4.**  |
| **D5. Net foreign source Income from (name of Country) (D3 minus D4) Also include net foreign source income in Box 9 ‘Other Income’ on Page 1. If you incur loss, adjust it with the following year’s foreign source income – do not include a loss in Box 9 ‘other income;’ do not include in the loss carryforward computation in Section 4** | **Box D 5.**  |
| **D 6. Income Tax Paid in foreign country on income in box C 5** | **Box D 6.**  |
| **D 7. Foreign Tax credit** | **Box D 7.**  |
| **Repeat D 3, 4, 5, 7 and 7 for each foreign country in which income is earned and income tax is paid to the foreign country** |  |
|  |  |
| **D Total: Add all FTC credits applicable**  | **FTC Total** |

**Box D 7 is calculated as follows: Box D 5 divided by Box D 2. The result is multiplied by Box D 1.**

**If there is income from more than one foreign country, Schedule D must be expanded to include all countries and the credit calculated separately for each country.**

**Schedule E (Must be completed by all filers)**

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| **INCOME STATEMENT** |
| Section 1 - Income From Business Activity (Operating Income) | Amount in SSP |
| 1.1. Total Income directly related to business activity (Income from provision of sales or services in the normal course of business activity) | Box 1.1. |
| 1.2. Cost of Goods Sold from Schedule A, box A4 | Box 1.2. |
| 1.3. Gross Profit (Line 1.1 minus Line 1.2) | Box 1.3. |
| Section 2 – Expenses directly related to business activity |
| 2.1. Operating Expenses1. Rent or Lease payments for business location(s) | Box 2.1.1. |
| 2. Rent or Lease payments for vehicles/equipment | Box 2.1.2. |
| 3. Repairs and Maintenance | Box 2.1.3. |
| 4. Advertising Expenses | Box 2.1.4. |
| 5. Depreciation Expense | Box 2.1.5. |
| 6. Amortization Expense | Box 2.1.6. |
| 7. Research and Development Expense | Box 2.1.7 |
| 8. Other operating expense | Box 2.1.8. |
| 2.2. Total Operating Expense (total of items 1-8 above) | Box 2.2. |
| 2.3. Administrative Expenses1. Salaries, Wages, Allowances,  | Box 2.3.1 |
| 2. Office supplies (do not include any purchases included in Cost of Goods Sold | Box 2.3.2. |
| 3. Charitable contributions | Box 2.3.3. |
| 4. Utility expenses | Box 2.3.4. |
| 5. Bad Debt Allowance | Box 2.3.5. |
| 6. Taxes and Fees Paid in the course of business (sales tax, excise tax, customs duty, business license fee, etc.) | Box 2.3.6. |
| 7. Other Administrative Expense (*not included elsewhere on this form)* | Box 2.3.7. |
| 2.4 Total Administrative Expenses (Items 1-7 above) | Box 2.4. |
| 2.5 Total Operating and Administrative Expenses *(add 2.2 and 2.4)* | Box 2.5. |
| Section 3. Net Income from Business Activity (Operating Income) |
| 3.1. Net Profit/Loss from business activity (Line 1.3 minus Line 2.5) | Box 3.1. |
| Section 4. Other Income |
| 4.1. Gain on Sale of Assets not in the regular course of business  | Box 4.1. |
| 4.2. Interest income | Box 4.2. |
| 4.3. Dividend Income | Box 4.3. |
| 4.4. Rental Income | Box 4.4 |
| 4.5. Net Foreign Source Income from Schedule D, box D5 | Box 4.5. |
| 4.6. Other non-operating income (*not included elsewhere on this form)* | Box 4.6. |
| 4.7. Total Other Income (add boxes 4.1 through 4.6) | Box 4.7. |
| Section 5. Other Expenses |
| 5.1. Interest Expense  | Box 5.1. |
| 5.2. Reserve Allowance | Box 5.2.. |
| 5.3. Other non-operating expenses (*not included elsewhere on this form)* | Box 5.3. |
| 5.4. Total Other Expenses (*add boxes 5.1 through 5.3.)* | Box 5.4. |
| Section 6. Non-Operating gain or loss |
| Section 6.1. Gain/loss from non-operating activities (Box 4.7 minus Box 5.4) | Box 6.1. |
| Section 7. Net Profit/Loss |  |
| 7.1. Net Profit or Loss (Box 3.1 plus Box 6.1)  | Box 7.1. |

**General Instructions**

1. Enter your business name, Taxpayer Identification Number, address, and telephone number in the boxes provided.

2. In Box 1.1, enter the amount of total business income from all sources received by your business that is not reported elsewhere on this form.

3. Enter the applicable amounts in boxes 2.1 through 9.1

4. Add the amounts in boxes 1.1 through 9.1 and enter the result in box 10.1. This is your gross income.

5. In box 11.1, enter the total amount of allowable expenses related to your business activity. Do not include expenses or deductions that are included in other boxes.

6. In box 16.1, enter the total amount of depreciation allowable based on information in Schedule B. Note: you will need to retain subsidiary records to show the assets on which depreciation has been claimed and the method of computation of applicable depreciation. For further information on depreciation, see Section 74 of the Taxation Act (2009) and Section 1.74 of the Taxation Act (2009) implementing regulations.

7. In box 17.1 enter the total amount of amortization allowable based on information in Schedule C. Note: you will need to retain subsidiary records to show the basis on which you determined the amount of natural resource extracted, the expected total natural resource to be extracted, and the total costs of exploration and development.

8. In box 19.1, enter the total amount of deductions computed by adding boxes 11.1 through 18.1. These are your total deductions.

9. In lines 20 - 23, complete the calculations to determine if you have a taxable profit or a loss for the year. If you have a taxable profit, enter the amount in boxes 22.1 and 24.1. If you have a loss, enter the loss amount in box 23.1 as a negative number and enter the loss amount in box 25.1 as a positive number.

10. In lines 24 through 29, complete the calculations to determine if you have a taxable profit or if you have a loss to be carried forward to the next year. If you have a taxable profit, enter the amount in box 29.1 and also in box 30.1. This is your adjusted taxable profit. If you have a loss after the calculation on Line 28, enter the loss in box 28.1 as a negative number. This is your loss to be carried forward to the subsequent year, limited by the provisions of Section 78.2 of the Taxation Act (2009).

11. Compute your tax liability in Lines 30 through 34. If box 28.1 was a loss amount, enter zero in Line 30. In box 34.1 enter the result of your tax computation. Enter that amount is box 40.1, also. The tax rate used for computing Lines 31 – 33 is based on your total annual turnover for the year, including any exempt or excluded income or any income for which the withholding tax constitutes a final tax, such as interest income or dividend income, and was not included in Lines 1.1 through 9.1.

12. In Lines 35 through 38, enter the applicable credits in the boxes provided. To compute your Foreign Tax Credit, use Schedule D, entering the amount from box D Total in box 37.1. Since tax withheld from interest and dividends is a final tax, no credit can be taken for payment of those taxes on these lines. To determine eligible Foreign Tax Credit, it is necessary to compute net foreign income from each foreign source. If a loss is incurred in a foreign source, that loss cannot be used to offset other income; it can only be used to offset gains from the same foreign source. Enter the total amount of allowable credits in box 39.1 and also in box 41.1.

13. Calculate the final tax liability by subtracting box 41.1 from 40.1. If box 40.1 is larger, the resulting amount is the additional tax that you have to pay. Enter the amount to be paid in box 42.1. Payment must be made at an authorized commercial bank accompanied by a pay-in slip.

If box 41.1 is larger, you are entitled to a refund, if you owe no other taxes, you may claim your refund in accordance with Section 41 of the Taxation Act (2009). Enter the overpayment in box 43.1.

14. Complete Schedule E to indicate profit and loss as indicated in company books and records.

15. The return must be signed and dated by the official designated by the business to sign legal documents on behalf of the business.

16. Per Income Tax Regulation 1.84.1(c), taxpayers in the medium and large category must have their return certified by an independent chartered accountant (CA) or Certified Public Accountant (CPA). This certification is done in the box – Declaration by Representative/Certification by Accountant