# The Official Gazette

## (EXTRAORDINARY)

## OF GUYANA

Published by the Authority of the Government

**GEORGETOWN, SATURDAY 7TH MAY, 2022**


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GEORGETOWN, Demerara – Printed and Published every Saturday and on such Extraordinary Days as may be directed by the Government by Guyana National Printers Limited, 1 Public Road, La Penitence, Greater Georgetown.

THE OFFICIAL GAZETTE 7TH MAY, 2022
LEGAL SUPPLEMENT — B

GUYANA No. 10 of 2022

# REGULATIONS

**Made Under**

**THE CORPORATION TAX ACT**

**(Cap. 81:03)**

**IN EXERCISE OF THE POWERS CONFERRED UPON ME BY SECTION 16 OF THE CORPORATION TAX ACT, I MAKE THE FOLLOWING REGULATIONS:-**

Citation and commencement. Cap. 81:03 (Subsidiary Legislation)

1. (1) These Regulations, which amend the Corporation Tax (Prescribed Form) Regulations, may be cited as the Corporation Tax (Prescribed Form) (Amendment) Regulations 2022.

(2) These Regulations shall come into force on the date of publication of these Regulations.

(3) In respect of any return filed before the date of publication of these Regulations using the form set out in sub-regulation 2, made available by the Revenue Authority, these Regulations shall be deemed to have come into force on the 1st of January 2021.

Amendment of the Schedule to the Principal Regulations.

3. The Schedule to the Principal Regulations is amended by the substitution for the prescribed form of the return of the profits of a company in that Schedule, of the following form –

CONFIDENTIAL

# Guyana Revenue Authority
## Corporation Tax Return

Year of Assessment

G0003 v1

Please read all instructions carefully and consult the guidelines provided at the end of this return.
It is a serious offence to make a false Corporation Return.

**Identification (A)** ☐ Amendment

*1 Taxpayer Identification Number | 3 Small Business Certificate #

2 Registration Number

**Organisation Details (B)**

Changed?

*4 Registered Name

Changed?

5 Business/ Trading Name(s)

**Address (C)**

| *6 Business Address | Changed? | 7 Legal Address (if different from Business Address) | Changed? |
|---|---|---|---|
| Line 1 | | Line 1 | |
| Line 2 | | Line 2 | |
| P.O. Box | | P.O. Box | |
| Country | | Country | |

**Miscellaneous Information (D)**

*8 Accounting Period
From: (Y Y Y Y M M) To: (Y Y Y Y M M)

*9 ☐ Commercial Company ☐ Non Commercial Company
(A company is considered Commercial when at least 75% of its gross income is derived from trading in goods not manufactured by it. Long-term insurance company is considered a Non-Commercial company.)

*10 ☐ Resident ☐ Non-Resident (Specify Country Headquartered in):

*11 Is company a subsidiary or an affiliate of a foreign company? ☐ Yes ☐ No If yes, enter the country:

Local Parent Organisation TIN: Name:

12 Was there a change of ownership over this period? ☐ Yes ☐ No

*13 Financial Statements submitted: ☐ Audited ☐ Unaudited

**Tax Summary (E)** G$

*14 **Tax Due** (enter value from line 83)

*15 **Tax Refundable** (enter value from line 84)

***Declaration (F)**

I, (First Name) (Last Name), declare that this is a true and correct Return of the whole of the profits of this company from every source whatsoever chargeable under the Corporation Tax Act, and the schedules & 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 (Y Y Y Y M M D D) Signature

Position/Capacity in which Return is made
Indicate whether proprietor, director, manager, secretary, office holder in club or association duly authorised

If absent from the country, state the name and address of the agent in the Country:
First Name Last Name Address

State whether the Return is made:
☐ As the Secretary or other responsible Officer of any Corporate Body
☐ As an Attorney, Agent, Factor, Trustee, Manager, etc. of any person

1 of 6

**Business Activity (G)**

*16 Describe your major business activity with as much detail as possible:

17 Specify up to 3 main products or services that you provide and the estimated percentage of revenue derived from each:

| | |
|---|---|
| | % |
| | % |
| | % |

## Sources of Income

| Turnover (H) | | Commercial Activity (G$) | Non-Commercial Activity (G$) |
|---|---|---|---|
| *18 | Turnover | | |

**Profits (I)** — For losses, put a minus sign in the red box

| | | | |
|---|---|---|---|
| *19 A | Profits/Losses from working of Estates or the Cultivation of land, etc. | | |
| *20 B | Profits/Losses from any Trade, Business, Profession or Vocation | | |
| *21 C | Dividends, Interest or Discounts from sources within Guyana | | |
| *22 C | Dividends, Interest or Discounts from sources out of Guyana | | |
| *23 D | All Charges or annuities, etc. (enter value from line 38) | | |
| *24 D | Net Rents | | |
| *25 D | Royalties (enter value from line 36) | | |
| *26 D | Premiums (enter value from line 37) | | |
| *27 | **Total Profits (excluding Losses) under lines 19 to 26** | | |

## Tax Breakdown

| Income (J) | | Commercial Activity (G$) | Non-Commercial Activity (G$) |
|---|---|---|---|
| *28 | Gross Receipts or Gross Sales | | |
| *29 | Returns and Discounts Allowed | | |
| *30 | Balance (line 28 minus line 29) | | |
| *31 | Cost of Sales or Operations | | |
| *32 | Gross Profits (line 30 minus line 31) | | |
| *33 | Dividends and other Distributions | | |
| *34 | Interest | | |
| *35 | Rents | | |
| *36 | Royalties | | |
| *37 | Premiums | | |
| *38 | Charges or Annuities, etc | | |
| *39 | Balancing Charge | | |
| *40 | Capital Gains deemed Income | | |
| *41 | Income not subjected to Corporation Tax | | |
| *42 | Other Income | | |
| *43 | **Total Income (add from lines 32 to 42)** | | |

| Deductions & Allowances (K) | | | |
|---|---|---|---|
| *44 | Remuneration of Directors (Close Companies Only) | | |
| *45 | Employment Costs (Salaries, Wages, Allowances, Bonuses, etc) | | |
| *46 | Repairs and maintenance | | |
| *47 | Bad and Doubtful Debts | | |
| *48 | Gross Payments | | |
| *49 | Rates and Taxes | | |
| *50 | Advertising | | |
| *51 | Contributions to Approved Funds, Schemes or Plans | | |
| *52 | Initial Allowance | | |
| *53 | Wear and Tear Allowances | | |
| *54 | Balancing Allowance | | |

| Deductions & Allowances (cont'd) | | Commercial Activity (G$) | Non-Commercial Activity (G$) |
|---|---|---|---|
| *55 | Export Allowance | | |
| *56 | Land Dev. Exp. Allow. | | |
| *57 | Donations under Covenant | | |
| *58 | Preference Dividends Paid | | |
| *59 | Interest Expense | | |
| *60 | Rental, lease and licence payments | | |
| *61 | Contractor and sub-contractor payments | | |
| *62 | Other Deductions | | |
| *63 | **Total Deductions & Allowances (add from lines 44 to 62)** | | |
| *64 | Income before income not subject to tax (line 43 minus line 63) | ☐ | ☐ |

| Income Not Subject to Tax (L) | | | |
|---|---|---|---|
| *65 | Tax Exempt Income | | |
| *66 | Capital Gains from Disposal | | |
| *67 | Tax Holiday Income | | |
| *68 | Other Income Not Subject to Tax | | |
| *69 | **Total Income Not Subject to Tax (add from lines 65 to 68)** | | |
| *70 | Chargeable Profits | ☐ | ☐ |
| *71 | Tax on Chargeable Profits | | |
| *72 | Total Tax on Chargeable Profits | | |

| Tax Credits (M) | | G$ |
|---|---|---|
| *73 | Export Credit[1] | |
| *74 | Tourism Activities Credit[1] | |
| *75 | Double Tax Relief | |
| *76 | Tax Relief for Losses | |
| *77 | MCT Credit | |
| *78 | Tax Deducted at Source | |
| *79 | Advance Corp. Taxes Paid | |
| *80 | Remission | |

| Tax Credits (M) (cont'd) | | G$ |
|---|---|---|
| *81 | Other Tax Credits | |
| *82 | **Total Tax Credit (add from lines 73 to 81)** | |
| *83 | **Tax Due** (If line 72 is greater than line 82, enter difference) | |
| *84 | **Tax Refundable** (If line 82 is greater than line 72, enter difference) | |

| Balance Sheet items | | G$ |
|---|---|---|
| | **Current assets** (as at balance date) | |
| *85 | Accounts receivable (debtors) | |
| *86 | Cash and deposits | |
| *87 | Other current assets | |
| | **Fixed assets** (closing accounting value) | |
| *88 | Vehicles | |
| *89 | Plant and machinery | |
| *90 | Furniture and fittings | |
| *91 | Land | |
| *92 | Buildings | |
| *93 | Other fixed assets | |
| | **Other non-current assets** (as at balance date) | |
| *94 | Intangibles | |
| *95 | Shares/ownership interests | |
| *96 | Term deposits | |
| *97 | **Total assets (add from lines 85 to 96)** | |
| | **Current liabilities** (as at balance date) | |
| *98 | Provisions | |
| *99 | Accounts payable (creditors) | |
| *100 | Current loans | |
| *101 | Other current liabilities | |
| *102 | **Total current liabilities (add from lines 98 to 101)** | |
| *103 | **Non-current assets** (as at balance date) | |
| *104 | **Total liabilities (add from lines 102 to 103)** | |
| *105 | **Owners' equity** (if in debit, insert minus sign in the last box | |

| Other information | | G$ |
|---|---|---|
| *106 | Tax Depreciation | |
| *107 | Untaxed realised gains/receipts | |
| *108 | Additions to fixed assets | |
| *109 | Disposals of fixed assets | |
| *110 | Drawings | |

[1]Applicable for Year of Assessment 2019 and onwards

**A.01** **Contractor and sub-contractor payments**

| Serial No. | TIN | Name | Address | Description | Residents/Non-Residents | Amount Paid |
|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| | | | | | | |
| Total | | | | | | |

B.01 Initial and Wear & Tear Allowances v1

| Serial No. | Description of Asset* | Condition of Asset* | Written Down Value at the beginning of the accounting period | Acquisition Cost/Value of Additional Asset (GYD) | Selling Price of Disposed Asset (GYD) | Date of Addition or Disposal | Initial Allowance | | Wear and Tear Allowance | | Written Down Value at the end of the accounting period (or at the date of disposal)* |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Rate (%) | Allowance ($) | Rate (%) | Allowance - Commercial Activity ($) | Allowance - Non-Commercial Activity ($) | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1 | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | |
| Total | | | | | | | | | | | | |

**PR.01 Reconcilation of Net Income per Financial Statements with Chargeable Income**

**Use this schedule to reconcile Net Income (loss) after Income Tax and extraordinary items per Financial Statements to its chargeable income for tax purposes. For more information see Practice Note: Income Tax Guide for Oil and Gas Taxpayers.**

| | Heading | Description | Amount (GYD) |
|---|---|---|---|
| | 1 | 2 | 3 |
| 1 | Net Income after Income Tax and extraordinary items per Financial Statements | | |
| 2.1 | Additions | Depreciation, Amortization, and Impairment | |
| 2.2 | | Donations not in accordance with Section 35 of the ITA | |
| 2.3 | | Crude Oil Sales - per Schedule PR.05 | |
| 2.4 | | Natural Gas Sales - per Schedule PR.06 | |
| 2.5 | | Natural Gas Liquids Sales - per schedule PR.07 | |
| 2.6 | | Head Office Expense in excess of 1% of value of petroleum revenue | |
| 2.7 | | Provision for Tax current and deferred | |
| 2.8 | | Interest and penalties on taxes | |
| 2.9 | | *[add other expenses here, each on a new line]* | |
| 2.1 | | *[add other expenses here, each on a new line]* | |
| 2.11 | | *[add other expenses here, each on a new line]* | |
| 2.12 | | *[add other expenses here, each on a new line]* | |
| 3 | | *Total* | |
| 4.1 | Deductions | Petroleum Capital Expenditure Allowance - per schedule PR.02 | |
| 4.2 | | Accounting Gains on Disposal of Assets | |
| 4.3 | | Crude oil Sales per financial statements | |
| 4.4 | | Natural Gas and Natural Gas Liquids Sales per financial statements | |
| 4.5 | | Exempt income | |
| 4.6 | | *[add other expenses here, each on a new line]* | |
| 4.7 | | *[add other expenses here, each on a new line]* | |
| 4.8 | | *[add other expenses here, each on a new line]* | |
| 4.9 | | *[add other expenses here, each on a new line]* | |
| 5 | | *Total* | |
| 6 | Chargeable Income before Gross up | *Row 1 plus Row 3 less Row 5* | |
| *7 | Gross up to arrive at Chargeable Income for Tax purposes | *(Row 6 multiplied by (1/1- tax rate)* | |
| 8 | Tax on Chargeable Income | *Multiply Row 7 by tax rate* | |
| *9 | Annual Government Profit Share remitted under applicable PSA | | |
| *10 | Final Tax | *Lesser of Row 8 and Row 9* | |

**Notes:**

**Note 1** * - Only applicable for Oil and Gas Contractors

**PR. 02 Petroleum Capital Expenditure Allowance**

| Capital property | Capital Expenditure Beginning Balance (GYD) | Additions of Assets (GYD) | Proceed of Disposition Note two (GYD) | Proceeds from Insurance or Other Sources (GYD) | Available Capital Expenditure (GYD) | Rate of Claim (%) | Allowance Claimed in Current Year (GYD) | Capital Expenditure Ending Balance (GYD) |
|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Tangible | | | | | | | | |
| Intangible | | | | | | | | |
| Total Petroleum Captial Expenditure Allowance | | | | | | | | |

**Notes:**

**Note 1** - This schedule is only applicable to Oil and Gas Contractors.

**Note 2** - Allowance to be claimed in accordance with Section 33A and B of the Income Tax Act, Chapter 81:01

**Note 3** - Proceeds of dispostion for Tangibles Carried from Schedule PR.03; Proceed of dispostion for Intangibles from Schedule PR.04

**PR. 03 Disposition of Assets - Tangibles**

| Serial No. | Description of Assets | Date of Acquisition | Cost of Acquistion (GYD) | Date of Disposal | Gross Proceeds from Disposition (GYD) | Outlays and Expenses of Disposal (GYD) | Proceeds from Disposition (GYD) |
|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | | | | | | | |
| Total (to line xx schedule PR.02) | | | | | | | |

**Notes:**

**Note 1 -** Consideration received from assignment prior to commencement reduces the aggregate sum of the Petroleum Capital Expenditures incurred prior to the year of commencement. This will ultimately reduce the amounts available to be claimed and the amounts carried forward.

**PR. 04 Disposition of Assets - Intangibles**

| Serial No. | Description of Assets | Date of Acquisition | Cost of Acquistion ($) | Date of Disposal | Gross Proceeds from Disposition (GYD) | Outlays and Expenses of Disposal (GYD) | Proceeds from Disposition (GYD) |
|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | | | | | | | |
| Total (to line xx schedule PR.02) | | | | | | | |

**Notes:**

**Note 1 -** Consideration received from assignment prior to commencement reduces the aggregate sum of the Petroleum Capital Expenditures incurred prior to the year of commencement. This will ultimately reduce the amounts available to be claimed and the amounts carried forward.

**PR. 05 Petroleum Contractors - Valuation of Crude Oil**

| | Crude Oil (Note Two) | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Proportion of 3rd party sales to total sales | | | If the proportion of third party sales is greater than 50% of total sales | | If the proportion of third party sales is lesser than 50% of total sales | | |
| Month of Sale | Volume of Third Party Sales (bbl) | Volume of Sales to Related Parties (bbl) | % total sales volume sold to Third Parties | Third Party sales receipts Realised | Arithmetic Average Price per bbl - Third Party sales - determined under Article 13 (b) (i) (aa) of the PSA | Arithmetic Average price per Barrel determined under Article 13 (b) (ii) (bb) of the PSA | Arithmetic Average of Columns 7 and 8 | Crude Oil Sales (Note Three) |
| 1 | 2 | 3 | 4 | 6 | 7 | 8 | 9 | 10 |
| January | | | | | | | | |
| February | | | | | | | | |
| March | | | | | | | | |
| April | | | | | | | | |
| May | | | | | | | | |
| June | | | | | | | | |
| July | | | | | | | | |
| August | | | | | | | | |
| September | | | | | | | | |
| October | | | | | | | | |
| November | | | | | | | | |
| December | | | | | | | | |
| Total | | | | | | | | |

**Notes:**
**Note 1** - This statement shall be prepared for **EACH FIELD.**
**Note 2** - Price per bbl to be calculated as per Article 13 of the applicable production sharing agreement
**Note 3** - Multiply Total Volume sold by column 7 if third party sales greater than 50% of total sales, otherwise multply total volume by column 9

**PR. 06 Petroleum Contractors - Value of Natural Gas**

| | Natural Gas (Note Two) | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Proportion of 3rd party sales to total sales | | | If the proportion of third party sales is greater than 50% of total sales | | If the proportion of third party sales is lessor than 50% of total sales | | |
| Month of Sale | Volume of Third Party Sales (Mcf) | Volume of Sales to Related Parties (Mcf) | % total sales volume sold to Third Parties | Third Party sales receipts Realised | Arithmetic Average Price per Mcf - Third Party sales - determined under Article 13 (a) of the PSA | Arithmetic Average price per Mcf determined under Article 13 (b) (ii) (bb) 13 (b) (ii) (cc) of the PSA | Arithmetic Average of Columns 7 and 8 | Natural gas Sales (Note Three) |
| 1 | 2 | 3 | 4 | 6 | 7 | 8 | 9 | 10 |
| January | | | | | | | | |
| February | | | | | | | | |
| March | | | | | | | | |
| April | | | | | | | | |
| May | | | | | | | | |
| June | | | | | | | | |
| July | | | | | | | | |
| August | | | | | | | | |
| September | | | | | | | | |
| October | | | | | | | | |
| November | | | | | | | | |
| December | | | | | | | | |
| Total | | | | | | | | |

**Notes:**
**Note 1** - This statement shall be prepared for **EACH FIELD.**
**Note 2** - Price per Mcf to be calculated as per Article 13 of the applicable production sharing agreement
**Note 3** - Multiply Total Volume sold by column 7 if third party sales greater than 50% of total sales, otherwise multply total volume by column 9

**PR. 07 Petroleum Contractors - Value of Natural Gas Liquids**

| Month of Sale | NGL's (Note two) | | |
|---|---|---|---|
| | Volume | Price per unit determined under Article 13 (c) of the PSA | Natural Gas Liquids Sales (Note Three) |
| 1 | 2 | 3 | 4 |
| January | | | |
| February | | | |
| March | | | |
| April | | | |
| May | | | |
| June | | | |
| July | | | |
| August | | | |
| September | | | |
| October | | | |
| November | | | |
| December | | | |
| Total | | | |

**Notes:**

**Note 1** - This statement shall be prepared for **EACH FIELD.**

**Note 2** - Price per unit to be calculated as per Article 13 of the applicable production sharing agreement

**Note 3** - Column 2 multiplied by column 3

PR. 08

**Schedule: Transactions with non-resident Associated Companies** [1]

The purpose of this schedule is to report all transactions between the reporting entity and Associate Companies

*"**Associate**" in relation to a person means any other person who is an Associated Company with the person or who acts or is likely to act in accordance with the directions, requests, suggestions or wishes of the person whether or not the directions, requests, suggestions or wishes are communicated to that other person.*

***One slip must be filed for each non-resident associated company.***

**Part A: Reporting Person Information**

| | | |
|---|---|---|
| 1 | **Name of the Reporting Entity** | |
| 2 | **TIN** | |
| 3 | For what year are you reporting | |
| 4 | Enter the total number of Slips attached | |
| 5 | Enter the Total of all Non-Arm's length transactions from all slips attached | |
| 6 | Enter the gross revenue of the reporting person | |
| 7 | Are any of the amounts (e.g., income, deductions, foreign tax credits) claimed by the reporting person/partnership in the current tax year/fiscal period adjusted to reflect an assessment or a proposed assessment by a foreign tax administration? | |
| 8 | Main Business Activity | |

| | | | |
|---|---|---|---|
| 9 | Has the reporting person received or provided to any non-resident any non-monetyary consideration for any service, transfer of tangible property, or anything whatever, under an exchange, swap, bonus, discount or other such arrangment. | Yes ☐ | No ☐ |
| 10 | Has the reporting person/partnership provided to any non-resident any service, transfer of tangible or intangible property, or anything whatever, for which there was nil consideration? | Yes ☐ | No ☐ |

**PART B** ***Certification***

***Person to contact for more information (please print)***

| *First Name* | *Last Name* | *Area Code - Telephone Number* | *Date* | *Position, Title, or Officer Rank* |
|---|---|---|---|---|
| | | | | |

*I, _____, certify that the the information given on these XXXXXXX Summary and Slips is the best of my knolwedge, correct and complete*

***Authorized signing officer's, person's, signature***

[1] *Associated persons as defined in sub-paragraph 2(1) of the Income Tax Act*

PR. 09

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Slip:Transactions with non-resident Associated Companies** [1] | | | | | 1 | SLIP of | |
| *The purpose of this schedule is report all transactions between the reporting entity and non-resident Associate Companies.* | | | | | | | **Year last filed otherwise: No** |
| **Part A: Reporting Person Information** | | | | **Year** | 12 | First time this form has been filed | |
| 2 | **Name of the Reporting Entity** | | 9 | | | | Yes or No |
| 3 | **TIN** | | | | | Non-resident is controlled by the reporting person | |
| **Part B: Non Resident Information** | | | | | | | |
| 4 | **Name of the Non-resident** | | 10 | **Type of Relationship** | | Non-resident controls the reporting person. | |
| 5 | **Address of Non-resident** | | | | | Other | |
| 6 | **Country of Residence** | | | | | | |
| 7 | **Place of Incorporation** | | | | | | |
| 8 | **Is the non-resident in a country with which Guyana does not have a tax treaty?** | If yes, attach fianancial statements of the non-resident | 11 | Have the transfer pricing methodologies (TPM) changed since the previsous reporting period with respect to the nonreside. | Yes | | No |

**Part C: Expenditure to associated persons**

| Code | Particulars | Sold to non-resident | Transfer Pricing Method Used | Purchased from non-residents | Transfer Pricing Method Used | Total |
|---|---|---|---|---|---|---|
| **Tangible property** | | | | | | 0 |
| **100** | Crude Oil | | | | | 0 |
| **101** | Natural Gas | | | | | 0 |
| **102** | Natural Gas Liquids (NGL) | | | | | 0 |
| **103** | Raw Materials and consumables | | | | | 0 |
| **104** | Purchase of equipment and machinery | | | | | 0 |
| **105** | **Others (Please describe)** | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| **Services** | | | | | | 0 |
| **200** | Marketing fees | | | | | 0 |
| **201** | Management Services (HR, legal, Accounting etc) | | | | | 0 |
| **202** | Technical Services (Engineering, geological services etc) | | | | | 0 |
| **203** | Equipment rental | | | | | 0 |
| **204** | Procurement fees | | | | | 0 |
| **205** | Commissions | | | | | 0 |
| **206** | Research & Development | | | | | 0 |
| **207** | Transportation services (freight etc) | | | | | 0 |
| **208** | Insurance services | | | | | 0 |
| **209** | **Others (Please describe)** | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| **Rents, Royalties - Intellectual property** | | | | | | 0 |
| **300** | Royalties | | | | | 0 |
| **301** | Licenses | | | | | 0 |
| **302** | Franchise fees | | | | | 0 |
| **303** | **Others (Please describe)** | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| **Financial Costs** | | | | | | 0 |
| **400** | Interest | | | | | 0 |
| **401** | Dividends | | | | | 0 |
| **402** | Lease Payments | | | | | 0 |
| **403** | Insurance | | | | | 0 |
| **404** | Loan Guarantee Fees | | | | | 0 |
| **405** | Derivative gain losses | | | | | 0 |
| **406** | **Others (Please describe)** | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| **Loans, advances and intercompany payables** | | | | | | 0 |
| **500** | Interest Bearing Loans | | | | | 0 |
| **501** | Interest Bearing trade Credits | | | | | 0 |
| **502** | Other Interest Bearing Intercompany Payables | | | | | 0 |
| **503** | Interest-Free Loans | | | | | 0 |
| **504** | Interest-Free Trade Credits | | | | | 0 |
| **505** | Other Interest-Free Intercompany Payables | | | | | 0 |
| **506** | **Others (Please describe)** | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| **OTHERS** | | | | | | 0 |
| **600** | Reimbursements of Expenses | | | | | 0 |
| **601** | **Others (Please describe)** | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| | Subtotal | 0 | | 0 | | |
| **1000** | **Total of all transactions** | | | | | **0** |

[1] *Associated persons as defined in sub-paragraph 2(1) of the Income Tax Act*

# Instructions & Guidelines

### Who needs to submit this return?

Any person not being an individual who is registered in or carried on business in Guyana for the approved period in which income was earned.

### When does this return need to be submitted?

The due date for submitting this return is 30th April of each year (or the next business day if the 30th is a holiday or falls on a weekend). Nevertheless, you are encouraged to file as early as possible.

### Where does this return need to be submitted?

This return must be submitted online via eServices or at one of GRA's offices or tax sites or P.O. Box 10406.

### How to fill this Return

1. The Return and all required supporting documents must be submitted. Failure to do so may result in the Commissioner-General refusing to accept the return, and to the best of his judgement determine the amount of chargeable income and assess accordingly.
2. Where a line item is a loss, enter a negative sign in the red box to the left of the number box.
3. A value must be provided for any line whose number is prefixed with an asterisk (*).
4. The Declaration section must be filled out and Return signed by an authorised person.

### Explanation of terms

**Header**

| | Term | Description |
|---|---|---|
| | Year of Assessment | Enter the year that follows the calendar year in which income was earned. |
| | Amendment | Tick this box if you are making changes to a Return that was already submitted to the GRA. |

| Item No. | Term | Description |
|---|---|---|
| 1 | Taxpayer Identification Number (TIN) | Enter TIN provided on the TIN Certificate. |
| 2 | Registration Number | Enter number on the certificate provided by the Commercial Registry. |
| 3 | Small Business Certificate | Enter number on the certificate provided by the Small Business Bureau. |

**Organisation Details**

| Item No. | Term | Description |
|---|---|---|
| | Changed? | If the details for the specific line item have changed for this period, fill in the correct information in the line item and tick this box. |
| 4 | Registered Name | Enter legal name on the certificate from Commercial Registry. If this has changed during this period, please check the Changed box (on the right above the Name). |
| 5 | Business/Trading Name(s) | If the company trades under any name(s) other than its Registered Name, enter the business/trading name(s). If this has changed during this period, please check the Changed box (on the right above the Trading Name). |
| 6 | Business Address | Enter address where the actual business operations are conducted. Note this may be different from the Mailing Address (see line #7). If Business Address has changed during this period, please check the Changed box (on the right above the Name). |
| 7 | Legal Address (if different from Business Address) | Enter legal/registered address of the organisation, as stated on the certificate from Commercial Registry. If this has changed during this period, please check the Changed box (on the right above the Name). |

**Miscellaneous Information**

| Item No. | Term | Description |
|---|---|---|
| 8 | Accounting Period | For the purpose of filing Corporation Tax Returns, enter the start and end dates for the period that the income was earned. Note that if the organisation's accounting period does not align with the usual calendar year (January to December), then written approval needs to be obtained from the Commissioner-General. |
| 9 | Commercial/Non-Commercial Company | A company is considered Commercial when at least 75% of its gross income is derived from trading in goods not manufactured by it. Long-term insurance company is considered a Non-Commercial company. Indicate which one best reflects the organisation during the period of income. |
| 10 | Resident/Non-Resident | Non-Resident company means a company the control and management of whose business are exercised outside Guyana. Resident company means a company the control and management of whose business are exercised in Guyana. |
| 12 | Was there a change in ownership over this period? | Tick the Yes box if there was a change in ownership. |
| 13 | Financial Statements submitted | Check the box labelled Audited if the financial statements submitted with the return were audited or check Unaudited if they were not. If the submitted Financial Statements are unaudited, this Return is deemed to be incompleted pending the submission of the Audited Financial Statements. |

**Business Activity**

| Item No. | Term | Description |
|---|---|---|
| 16 | Describe your major business activity with as much detail as possible | |

**Source of Income**

| Line No. | Term | Description |
|---|---|---|
| 18 | Turnover | Enter the total of all gross receipts (line 28) plus income earned under lines 33 to 42 during the accounting period, including all cash and credit sales, commissions and fees receivable, without any deductions for taxes or duties or expenses. |
| 19 | Profits/Losses from working of Estates or the Cultivation of land, etc. | Enter profit or loss from the working of estates or the cultivation of land, etc. |
| 20 | Profits/Losses from any Trade, Business, Profession or Vocation | Enter profit or loss from any trade, business, profession or vocation. |
| 21 | Dividends, Interest or Discounts from sources within Guyana | Enter dividends, interest or discounts from sources within Guyana. Interest should include interest received from mortgages, loans, bank accounts, debentures, bonds and other sources. |
| 22 | Dividends, Interest or Discounts from sources out of Guyana | Enter dividends, interest or discounts from sources outside of Guyana. Interest should include interest received from mortgages, loans, bank accounts, debentures, bonds and other sources. |
| 23 | All Charges or annuities, etc. | Enter charges or annuities, etc. It will be the same value as line 38. |
| 24 | Net Rents | Enter Net Rents.<br><br>Expenses should be included in the appropriate lines in the Deductions & Allowances section. |
| 25 | Royalties | Enter Royalties. It will be the same value as line 36. |
| 26 | Premiums | Enter Premiums. It will be the same value as line 37. |
| 27 | Total Profits (excluding Losses) | Enter the sum all profits from line 19 to line 26. Do not include any losses. |

**Income**

| Line No. | Term | Description |
|---|---|---|
| 28 | Gross Receipts or Gross Sales | Enter the total of all gross receipts (income) earned during the accounting period, including all cash and credit sales, commissions and fees receivable, without any deductions for taxes or duties or expenses. This value should exclude gross receipts/sales covered in lines 33 to 42. |
| 29 | Returns and Discounts Allowed | Enter all Returns and Discounts Allowed. |
| 30 | Balance | Enter the difference between Gross Receipts or Gross Sales (line 28) and Returns and Discounts Allowed (line 29). |
| 31 | Cost of Sales or Operations | Enter Cost of Sales or Operations. |
| 32 | Gross Profits | Enter the difference between the Balance (line 30) and Cost of Sales/Operations (line 31). |
| 33 | Dividends and other Distributions | Enter dividends and other distributions. |

| | | |
|---|---|---|
| 34 | Interest | Enter interest. Interest should include interest received from mortgages, loans, bank accounts, debentures, bonds and other sources.<br><br>Not to be filled by banks and other financial institutions. |
| 35 | Rents (Gross) | Enter gross rents. |
| 36 | Royalties | Enter Royalties. |
| 37 | Premiums | Enter Premiums. |
| 38 | Charges or Annuities, etc | Enter Charges or Annuities, etc. |
| 39 | Balancing Charge | Enter Balancing Charge. A Balancing Charge cannot exceed the total amount of allowances (initial plus wear & tear) given to the taxpayer. |
| 40 | Capital Gains deemed Income | Enter Capital Gains deemed Income. This should only include assets held for not more than 12 months. |
| 41 | Income not subjected to Corporation Tax | Enter Income not subject to Corporation Tax. |
| 42 | Other Income | Enter gross amount of other income not reported elsewhere in the Return. Include recoveries of bad debts, any compensation received for the destruction of any stock, etc. |
| 43 | Total Income | Enter the sum of line 32 to line 42. |

**Deductions & Allowances**

**Do not include here any Deductions & Allowances which relate to Income Not Subject to Tax (exempt income).**

| | Term | Description |
|---|---|---|
| 44 | Remuneration of Directors (Close Companies Only) | See Section 12 of Corporation Tax Act Ch 81:03. |
| 45 | Employment Costs (Salaries, Wages, Allowances, Bonuses, etc) | Enter total Employment Costs including salaries, wages, allowances, bonuses, etc. The amount entered should be reconciled with the Forms 2 submitted for the period. |
| 46 | Repairs and maintenance | Enter Repairs and Maintenance. Do not include expenditure in respect of extensions, capital improvements or structural alteration or any expenses not wholly and exclusively incurred in the production of the income. |
| 47 | Bad and Doubtful Debts | Enter only specific bad or doubtful debts. In cases where company has made provision for bad or doubtful debts, only those debts which are identified as being specific should be claimed. |
| 48 | Gross Payments | |
| 49 | Rates and Taxes | |
| 50 | Advertising | Enter Advertising costs. |
| 51 | Contributions to Approved Funds, Schemes or Plans | Enter Contributions to Approved Funds, Schemes or Plans. |
| 52 | Initial Allowance | Enter value from total of column 8 of Form B.01. |
| 53 | Wear and Tear Allowance | Enter value from total of columns 10 and 11 of Form B.01 for Commercial and Non-Commercial activity respectively. |
| 54 | Balancing Allowance | |
| 55 | Export Allowance | |
| 56 | Land Development Expenditure Allowance | The amount claimed must be limited to 10% of actual expenditure incurred for this period. |
| 57 | Donations under Covenant | |

| | | |
|---|---|---|
| 58 | Preference Dividends Paid | Enter Preference Dividends Paid. |
| 59 | Interest Expense | Enter Interest paid on any monies borrowed. |
| 60 | Rental, lease and licence payments | Enter total payments made in respect of all rentals, leases and licences. |
| 61 | Contractor and sub-contractor payments | Enter total value from column 6 of Form A.01 |
| 62 | Other Deductions | Enter total amount of Deductions not reported elsewhere in the Return. |
| 63 | Total Deductions & Allowances | Enter the sum of line 44 to line 62 |
| 64 | Income before income not subject to tax | Enter the difference between lines 43 and 63. |

**Income Not Subject to Tax**

| | Term | Description |
|---|---|---|
| 65 | Tax Exempt Income | |
| 66 | Capital Gains from Disposal | Enter all gains from disposal. You are reminded that you are required to complete and submit Capital Gains Tax Returns in accordance with Capital Gains Tax Act Ch 81:20 for all assets disposed of during this period. |
| 67 | Tax Holiday Income | Separate financial statements together with a statement in the form of page 3 to 4 of the 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 in this account should also be attached. |
| 68 | Other Income Not Subject to Tax | |
| 69 | Total Income Not Subject to Tax | Enter the sum from line 65 to line 68. |
| 70 | Chargeable Profits | |
| 71 | Tax on Chargeable Profits | Use the appropriate tax rate. See Section 10 of Corporation Tax Act. |
| 72 | Total Tax on Chargeable Profits | Sum the values of the Commercial and Non-Commercial columns from line 71. |

**Tax Credits**

| | Term | Description |
|---|---|---|
| 73 | Export Credit | This only applies to Non-Commercial Companies. It is not applicable to companies engaged in Gold & Diamond Mining and Petroleum. See Section 33H of the Income Tax Act Ch 81:01. |
| 74 | Tourism Activities Credit | This only applies to Non-Commercial Companies. See Section 2A of the Income Tax (In Aid of Industry) Act Ch 81:02. |
| 75 | Double Tax Relief | See Section 89 of the Income Tax Act Ch 81:01. |
| 76 | Tax Relief for Losses | This value is the (Total Tax on Chargeable Profits (line 72) minus sum of lines 73, 74, 75 and 81) * 50%.<br><br>If the sum of lines 73, 74, 75 and 81 is less than half of the Tax on Chargeable Profits (line 72), then the Tax Relief for Losses must not exceed the value of the sum of lines 73, 74, 75 and 81 minus 1/2 of Tax on Chargeable Profits.<br><br>If the sum of lines 73, 74, 75 and 81 equals half of the Tax on Chargeable Profits, then no Tax Relief for Losses can be claimed. |
| 77 | MCT Credit | This only applies to **Commercial** Companies.<br><br>The value should not exceed the value of Tax on Chargeable Profit (line 72) minus (Export Credit (line 73) plus Tourism Credit (line 74) plus Double Tax Relief (line 75)) minus 2% minimum tax. It is limited to the amount of available MCT Credit. |

| | | |
|---|---|---|
| 78 | Tax Deducted at Source | Include here any tax deducted under Section 39 (13) of Income Tax Act Ch 81:01 and Section 10 (B) of Corporation Tax Act Ch 81: 03. |
| 79 | Advance Corp. Taxes Paid | Enter total amount of advance taxes paid, using the basis established for the payments of Advance Taxes (i.e, previous year, current year or any other basis). |
| 80 | Remission | For internal purposes only. Do not fill. |
| 81 | Other Tax Credits | Enter total value of all other credits not reported elsewhere in the Return. |
| 82 | Total Tax Credits | Enter sum from line 73 to line 81. |
| 83 | Tax Due | If line 72 is greater than line 82, enter difference. |
| 84 | Tax Refundable | If line 82 is greater than line 72, enter difference. |

**Payment of Taxes**

Any person not being an individual who is registered in or carried on business in Guyana for the approved period in which income was earned (and such income is subject to tax) is required to pay to the Commissioner General, Guyana Revenue Authority on or before 15th March, 15th June, 15th September and 15th December, in each year of income an amount as instalments as advance taxes calculated by him on his chargeable profits or turnover, or other such basis as agreed on with the Commissioner General (whichever is applicable) and the balance, if any, not later than 30th April of the following year. However, where a company is subject to withholding tax in accordance with Section 10 B of the Corporation Tax Act 81:03 then such companies will not be required to pay advance tax.

**Rates of Taxes**

| Year of Income | Type of Company | Activity | Calculation |
|---|---|---|---|
| 2008-Present | Telecommunications | | 45% of Chargeable Income |
| | | | |
| 2012 - 2017 | Commercial | NA | 40% of Chargeable Income |
| 2018 - Present | Commercial | Commercial | 40% of Commercial Chargeable Income |
| 2018 - Present | Commercial | Non-Commercial | 25% of Non-Commercial Chargeable Income |
| | | | |
| 2012 - 2017 | Non-Commercial (including Life/Long Term Insurance) | NA | 30% of Chargeable Income |
| 2018 | Non-Commercial | Commercial | 40% of Commercial Chargeable Income |
| 2018 | Non-Commercial | Non-Commercial | 27.5% of Non-Commercial Chargeable Income |
| 2019 - Present | Non-Commercial | Commercial | 40% of Commercial Chargeable Income |
| 2019 - Present | Non-Commercial | Non-Commercial | 25% of Non-Commercial Chargeable Income |

**Penalties**

| | |
|---|---|
| 1 | Every person whose income is not less than the threshold for the respective Year of Assessment who refuses, fails or neglects to deliver a RETURN of his income to the Commissioner General on or before the prescribed day in every year is liable to a penalty. |
| 2 | Where a person has not delivered a Return within the prescribed time under section 60 [1] of the Income Tax Act, the Commissioner General shall add to an assessment made upon such a person a sum equal to ten (10) per cent of the amount of the tax assessed. For Year of Assessment 2018 and onwards where a Loss or Nil Return was submitted after the prescribed time, the Commissioner General may charge a flat fee of $50,000 on each Loss or Nil Return submitted. |
| 3 | Where a person refuses, fails or neglects to make a return of chargeable Income for the year immediately preceding the Year of Assessment within the time specified in a notice issued by the Commissioner General to such person under Sec.60 [4] of the Income Tax Act the Commissioner General shall add to the assessment a sum equal to fifteen (15) per cent of the amount of tax assessed. |
| 4 | 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, 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 $100,000 and double the amount of the tax which has been or would have been undercharged in consequence thereof. |
| 5 | Any person who knowingly makes a false statement or representation in any Income Tax Return or who keeps or prepares false accounts of any profits, property or gifts chargeable to Income Tax, or aids or abets any persons in such offences, is liable to a fine not exceeding $100,000 and treble the amount of Tax which has been undercharged in consequence of such false accounts, particulars, returns, statements, information of representation or could be so undercharged if the account, particulars, return, statement, information or representation has been accepted as correct and to imprisonment for six months. |
| 6 | Late payment of tax will attract penalties. The penalties charged shall be deemed to be part of the tax assessed and shall be recoverable accordingly. |

**Requirements for Submission**

| | |
|---|---|
| **All Companies** | i. Audited Financial Statements including Statement of Profit/Loss, Balance Sheet, Appropriate Account, Reconciliation of Fixed Assets<br>ii. All Schedules, as necessary (A.01,B.01) |
| **Oil & Gas Companies** | i. All Schedules, as necessary (PR.01 – PR.09) |

# Income Tax Guide for Oil and Gas Taxpayers

**References included in this practice note are to the income tax laws of Guyana including the Income Tax Act of Guyana (Cap 81.01) and the Corporation Tax Act of Guyana (Cap 81.03) read in conjunction with the fiscal provisions included in the applicable Production Sharing Agreement.**

**Definitions**

**Accounting:** The method of accounting and financial statement presentation must be consistent with the Act, legal principles and International Financial Reporting Standards (IFRS). The method must provide an accurate picture of the taxpayer's income position.

**Licenses:** Each license area is subject to a separate Production Sharing Agreement (PSA) which may include different Fiscal terms. Therefore, the accounting for production, revenue, capital expenditures and operating expenses will be required for each License area.

**PART I Schedule PR.01**

Use Schedule PR.01 to reconcile the net income (loss) reported on your financial statements and the net income (loss) required for tax purposes.

The net income (loss) reported on your financial statements may not be the same as the net income (loss) required for tax purposes. The reason for this is that certain income and expenses reported on your financial statements may be calculated differently under International Financial Reporting Standards (IFRS) versus under the respective Tax Acts.

For example, you deduct petroleum capital expenditures when determining net income for tax purposes, in lieu of depreciation, amortization, and impairment used to arrive at net income on your financial statements.

**Line 1:** Enter net income or loss after income tax and extraordinary items from your financial statements. Lines 2.1 to 2.9 list taxable items and the non-allowable expenses to be added and lines 4.1 to 4.6 list accounting revenue calculations and eligible expenses to be subtracted to arrive at Net Income for Tax Purposes. The listed additions and deductions are the most common additions and subtractions.

**Line 2.1:** Add back Depreciation, amortization and Impairment per financial statement in lieu of deduction of Petroleum Capital Expenditure Allowance on Line 4.1.

**Line 2.2:** Donations per financial statements must be adjusted in accordance with Section 35 of the ITA. Donations of a sum of money or the value of property to the Government of Guyana for public purposes or to a prescribed institution or organization of a national or international character in Guyana or elsewhere are deductible under section 35. The value of property donated is equal to the lesser of cost of the property to the donor and the market value of the property at the time of the donation.

**Line 2.3/ 2.4/2.5:** Sales value of crude oil, natural gas, and natural gas liquids (NGL's) are determined utilizing Schedule PR.05: Valuation of Crude Oil Sales; Schedule PR.06 Valuation of Natural Gas Sales and Schedule PR.07: Valuation of Natural Gas Liquids (NGL's):

Article 13 of the PSA as amended by the Government of Guyana and incorporating all addendums to the article agreed to by the Government of Guyana and the license holders stipulates how crude oil, natural gas, and NGL's will be valued for income tax purposes. In all cases the Minister must agree to the prices calculated before it is finally determined. The

objective of Schedules PR.05, PR.06 and PR.07 is to ensure that revenue reported for income tax purposes is calculated in accordance with the PSA, in lieu of any accounting standards or pronouncements.

The values of crude oil, natural gas, and NGL's produced is determined by volume and price. How volume and price are determined is specified in each production sharing agreement and applicable addendums agreed to.

VOLUME

- ✓ Crude Oil: Typically, the volume of crude oil produced is measured at standard conditions of temperature and pressure (60 degrees Fahrenheit or 15 degrees Celsius and 14.7lbs/sq. in or I Kg/sq. cm) and is determined in barrels (bbls).
- ✓ Natural Gas: Typically, the volume of natural gas produced is measured at standard conditions of temperature and pressure (60 degrees Fahrenheit or 15 degrees Celsius and 14.7 lbs/sq. in or 1 Kg/sq. cm) is determined in millions of cubic feet (Mcf) and is converted to MMBtu (1,000,000 British thermal units) equivalent basis.
- ✓ NGL's: The value of, NGL's, including ethane, propane, butane, pentane and other plant liquids excluding liquefied methane are also determined at standard conditions of temperature and pressure (60 degrees Fahrenheit or 15 degrees Celsius and 14.7 lbs/sq. in or 1 Kg/sq. cm) and the volume so calculated is converted to MMBtu (1,000,000 British thermal units) equivalent basis.

PRICE

- ✓ Crude oil and natural Gas: Typically, the average fair market price for crude oil and natural gas is calculated monthly and each PSA will enumerate a method of calculation.
  - Typically, the calculation is based on whether the percentage of sales to third parties to total sales is greater than or less than 50%.
  - Valuation is calculated at the delivery point which unless otherwise agreed to by the Government of Guyana is the inlet loading flange for water borne exports, in the case of pipelines it is the inlet flange of the buyer's pipeline or distribution system or the inlet flange of a third-party pipeline transporting the buyer's product

- ✓ NGLs recovered and sold: Typically, is valued based upon the international value of such products as published in Platts and adjusted to reflect the fair market value of such products at the Delivery Point.

**Line 2.6:** Head office Expense: Section 2 of the ITA defines head office expense, and Section 18(i) of the ITA provides that no deduction shall be allowed as head-office expenses in excess of one percent of sales or gross income.

**Line 2.7:** Add back the provision for tax, current and deferred per financial statements as it is nondeductible for tax purposes under Section 18 (h) of the ITA.

**Line 2.8:** Add back interest and penalties on taxes deducted in arriving at net income per financial statements in accordance with Section 18 (h) and 99 (4) of the Income Tax Act. Section 99 (4) states that they are considered taxes.

**Line 4.1:** Petroleum Capital Expenditure allowance: Petroleum Capital expenditures are defined in Section 33B of the ITA. The un-deducted balance of Petroleum Capital Expenditures less proceeds of disposition and credits received in respect of assets included in these expenditures maybe amortized up to 20% in the year.

**Line 4.2:** Taxable Capital Gains on disposal of assets are exempt from taxation as granted by Article 15 of the applicable PSA.

**Line 4.3/4.4:** Deduct the reported valuation of sales of crude oil, natural gas and natural gas liquids included in the financial Statements which have been replaced by the valuation of sales under article 13 of the applicable PSA (see line 2.3, 2.4 and 2.5).

**Line 4.5:** Exempt income is defined under Section 7 of the CTA and Section 13 of the ITA. Amounts that are exempt include amounts received as compensation for the termination of a contract for service.

**Some additions and deductions to Net Income after Income tax and extraordinary items may not be specifically identified on Schedule PR.01. In this case include these items by using Lines 2.9 to 2.12, "Other additions" and lines 4.6 to 4.9, "Other deductions".**

**Line 7:** Deals with the gross up to arrive at Chargeable Income for Tax purposes under the "Pay on Behalf System". The Minister has agreed per the applicable PSA, that the appropriate share of the Governments Profit Share under the PSA shall be accepted by the Minister as payment in full by the Contractor of the Contractor's income taxes imposed and payable to the Government of Guyana. To calculate on a pretax basis the annual income for tax purposes of a Contractor the PSA requires the contractor to include the Income Tax and Corporation Tax paid that is paid on his behalf by the Government of Guyana. An example of the calculation is illustrated below.

- **Determination of a Contractors annual income for tax purposes:**
  1. The value of Contractors share of Cost petroleum plus Contractors share of Profit petroleum[1]
  2. Plus, an amount equal to Contractors income tax (Gross up).
  3. Less; costs and expenses of the contractor as determined under the Tax Act of Guyana (Cap 81.01) and the Corporation Tax Act of Guyana (Cap 81.03) read in conjunction with the fiscal provisions included in the applicable PSA.

Ex. (assumes a 50:50 split of profit oil and a 30% tax rate): The example illustrates under a pay on behalf system that the total of $50 remitted to Government is made up of $32 of Income Tax and $18 of Profit Share.

| Contractor | | Government of Guyana |
|---|---|---|
| Share of Cost Oil | $ 100 | |
| Share of profit Oil | 50 | 18 |
| Total Revenue reported by Contractor | 150 | |
| Less: costs and expenses | 75 | |
| Chargeable Income for Tax Purposes | 75 | |
| Gross up net Income to pre-tax value (Net Income* 1/1-Tax rate) | 107 | |
| Tax payable | 32 | 32 |
| Total Remitted to Government | | 50 |

Note: Gross Up Calculation
= Chargeable Income for Tax Purposes divided by 1- Tax rate
= 75/1-.30
= 107

[1] Contractors share of profit oil is fixed under the PSA on a "post-tax" basis

**Line 10:** Due to the asymmetry of the cost oil/profit oil calculation and the calculation of Chargeable Income for Tax Purposes and tax payable a de minimis rule has been added to Schedule PR.01. This is to ensure that tax payable on which a tax certificate is issued never exceeds the tax paid. The final tax will be the lesser of Tax payable (**Line 8**) and the annual Government profit share remitted under the applicable PSA (**Line 9**).

Note: Lines 7, 9 and 10 will only be applicable to contractor's tax returns as sub-contractors are not subject to the Pay on Behalf system.

**Questions and enquires**

For clarification about completing the form, contact the Petroleum Revenue Department of the Guyana Revenue Authority.

# Reporting Transactions with non-resident Associated Companies – Schedule PR.08

This form is an annual information return filed with your Income or Corporate Tax Return on which you report activities with certain non-resident associated persons.

Section 2(1) of the Income Tax Act defines associated companies as "two or more companies where one has directly or indirectly control of the other or others, or any person has control directly or indirectly of both or of all of them; and where two or more companies share directly or indirectly equally in the ownership of all the ordinary share capital of another company all shall be deemed to be associated companies."

File Schedule PR.08 as the reporting entity if all the following apply:

- at any time in the tax year, you were either a resident in Guyana or a non-resident that carried on business (other than as a member of a partnership) in Guyana
- you entered into transactions with a non-resident person with whom you were associated at any time in the year and partnerships of which the non-resident person is a member.

Schedule PR.08 is a summary of the accompanying Schedule PR.09 slips. A separate Schedule PR.09 slip must be filed for each associated non-resident with whom reportable transactions have occurred.

**Schedule PR.08: Summary of transactions with non-resident Associated Companies**

Report all transactions between you and the non-resident associated corporations, including transactions concerning:

- tangible property
- rents
- royalties and intangible property
- services
- advances, loans, or other accounts receivable or payable to or from a non-resident (beginning and ending balances including gross increases and decreases)

**Part A: Reporting Person Information**

Complete lines 1 – 10 by entering the following information or answering the question as yes or no:

| Line | Information |
|---|---|
| 1 | The name of the reporting entity. |
| 2 | Reporting entity Tax Identification number. |
| 3 | The year for which Schedule PR.08 is being filed. |
| 4 | The total of all non-arm's length transactions from all the Schedule PR.09 Slips attached. |
| 5 | Total of all transactions with associated corporations from all slips attached |
| 6 | Gross revenue of the reporting person |

| | |
|---|---|
| 7 | Any amounts claimed by the reporting person/partnership in the current tax year/fiscal period adjusted to reflect an assessment or a proposed adjustment by a foreign tax administration. |
| 8 | Main business activities of the reporting person/partnership. |
| 9 | Any non-monetary consideration given or received by the reporting person to/from any non-resident entity. |
| 10 | Any transaction with non-resident entity where no consideration was given or received. |

**Part B: Certification**

An authorized officer, person, or representative must sign this form when it is completed. The certification declaration on this form applies to the Schedule PR.08 Summary and PR.09 Slips.

**Schedule PR.09 - Slip: Transactions with non-resident Associated Companies**

Complete lines 1 – 12 by entering the following information or answering the question as yes or no:

**Part A – Reporting Person Information**

| Line | Information |
|---|---|
| **1** | Enter the slip number in the format slip # of total # of slips |
| **2** | The name of the reporting entity |
| **3** | Reporting Entity Tax Identification number |

**Part B – Non-resident Information**

| Line | Information |
|---|---|
| 4 | Name of the non-resident associated company |
| 5 | Address of the non-resident associated company |
| 6 | Non-resident associated company's country of residence |
| 7 | Non-resident associated company's place of incorporation |
| 8 | Identify whether a tax treaty has been ratified between Guyana and the non-residents country of residence. The Guyana Revenue Authority needs the relevant financial statements of the non-resident if the non-resident is controlled by the reporting person or partnership and is resident in a non-treaty country. Include financial statement for any non-resident that resides in a non-treaty country. |
| 9 | State the year for which the slip has been prepared. |
| 10 | Select the type of relationship that exists between the reporting person/partnership and the non-resident. |
| 11 | Identify if any of the transfer pricing methodologies employed have changed from the previous reporting period by selecting yes or no. |
| 12 | Identify if this is the first tax year that the form is being filed for or otherwise by entering yes or no. |

**Part C – Expenditure to associated persons**

Enter (to the nearest GYD) the monetary consideration derived or incurred for the transactions in Part C. Only record in Part C those amounts that apply to the non-resident described in Part B. Report gross amounts in the two columns. The transfer pricing methodology used to determine the gross amounts reported must be identified using the drop down menu.

The "Sold to non-resident" and "Revenue from non-resident" refers to gross sales and revenue received from non-arm's length transactions with non-residents. For example, this includes transactions related to exports from Guyana and services provided to the non-resident.

The "Purchased from non-resident" and "Expenditure to non-resident" refers to gross purchases and expenditures made relating to non-arm's length transactions with non-residents. For example, this includes transactions related to imports into Guyana and services provided by the non-resident.

For the banking industries, the line for "Stock in trade/raw materials" must be used to report bonds, debentures, loans, mortgage transactions. The normal interest income and expense on loans and advances with the non-arm's length non- resident(s) must be reported in the Financial section.

Made this 28th day of April, 2022.

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**The Hon. Dr. Ashni Singh, M.P.**
**Senior Minister in the Office of the President**
**with Responsibility for Finance**