

LAWS OF GUYANA

CORPORATION TAX ACT

CHAPTER 81:03

Act

30 of 1970

Amended by

25 of 1971  
14 of 1989  
28 of 1991  
14 of 1992  
13 of 1993  
6 of 1994  
16 of 1994  
3 of 1996  
13 of 1996  
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**Note  
on  
Subsidiary Legislation**

By virtue of Regulation 20/1973 (L.S. 10 Dec. 1973) and Regulation 20/1973 the Income Tax (Payment of Tax by Companies) Regulations, 1973 apply to payment of income tax by companies.

**Note  
on  
Revision**

This Act has been extended to the Exclusive Economic Zone of Guyana by virtue of Order 8/1992.

**Note  
on  
Revision Date**

This Act has been revised up to 1<sup>st</sup> January, 2012.

**CHAPTER 81:03**  
**CORPORATION TAX ACT**  
**ARRANGEMENT OF SECTIONS**

## SECTION

1. Short title.
2. Interpretation.
3. Administration of the Act.
4. Imposition of corporation tax.
5. General scheme of corporation tax.
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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.

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30 of 1970

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

[1<sup>ST</sup> JANUARY, 1970]

Short title.                    1. This Act may be cited as the Corporation Tax Act.

Interpretation.                2. (1) In this Act –

[25 of 1971  
28 of 1991  
13 of 1993]

“chargeable profits” means the aggregate amount of the profits of any company from the sources specified in section 9 remaining after allowing the appropriate deductions and exemptions under this Act;

“commercial company” means a company at least seventy-five per cent of the gross income of which is derived from trading in goods not manufactured by it and includes any commission agency, any telecommunication company, anybody corporate licensed or otherwise authorised by law to carry on banking business in Guyana, and any company carrying on in Guyana, insurance business, other than long-term insurance business, as defined in section 2 of the Insurance Act.

c. 91:02

“company” has the same meaning assigned to it in section 2 of the Income Tax Act;

c. 81:01

“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;

c. 81:01 “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;

c. 81:20 “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.

Administration  
of the Act.  
[3 of 1996]

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

Imposition of  
corporation tax.  
[16 of 1994]

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—

c. 81:01

- (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. 81:20

- (d) [Deleted by Act No. 16 of 1994]
- (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, trademarks, 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.  
[28 of 1991  
16 of 1994]

7. There shall be exempt from corporation tax—

- (a) distributions received by a company from a resident company;
- (b) the profits of an investment company;
- (c) the income of any local authority in so far as that income is not derived from a trade or business carried on by the local authority; and in calculating the income of a local authority for the purpose of this paragraph, the income derived from any market, abattoir, wharf, cemetery, garden or electric or water supply shall be exempt from tax;
- (d) the income of any statutory or registered building or friendly society;
- (e) the income of any ecclesiastical, charitable, or educational institution or endowment of a public character within Guyana or elsewhere as may be approved of by the President, in so far as that income is not derived from a trade or business carried on by the institution:

Provided that a fair or fairs shall not be deemed to be a trade or business for the purpose of this paragraph unless the number of days on which such fair is held, or the aggregate number of days on which such fairs are held, exceeds seven days in the year immediately preceding any year of assessment;

- (f) the income of the Government Savings Bank;
- (g) the income of the Transport Department;
- (h) the income of the Harbour Board;
- (i) the income of the Forest Trust;
- (j) the income of any fund established by a written law requiring public officers or a class of public officers to contribute to the fund;
- (k) the income of any institution established for the encouragement of thrift which the Minister may declare to be exempt;
- (l) the income of the Central Housing and Planning Authority constituted under the Housing Act;
- (m) the income of the Catholic Hospital (Incorporated);
- (n) the income of any medical clinic or

c. 36:20

hospital carried on otherwise than for the purpose of profit or gain by the Guyana Mission of Seventh-Day Adventists;

- (o) the income of any sports organization derived from any public or private subscription or donation whether by deed or covenant or otherwise or in respect of gains or profits derived from charges for admission to witness or participate in sporting events or from the provision of refreshments to persons who witness sporting events;
- (p) the income arising from investments of any fund or scheme approved of by the Minister as a fund established for the provision of annuities for all or any of the following persons in the events respectively specified, that is to say, for persons employed by the Government or any local authority or in any trade, profession, or undertaking, either on retirement at a specified age or for the widows, children or dependants of persons who are or have been so employed on the death of those persons, whether or not such investments represent or are derived from contributions of persons or companies not resident in Guyana;
- (q) the income of a Trade Union registered under the Trade Unions Act;
- (r) the income of any institution or organisation of a national or

c. 98:03

c. 81:01 international character which has been prescribed as such under section 35 of the Income Tax Act;

- (s) the income of any company to the extent that the income of that company is exempt by virtue of any other law of Guyana.

General rules for computation of profits. [16 of 1994] **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.

c. 81:01 (3) Subsection (2)(b) does not apply when the company makes a disposition to which section 75(3) of the Income Tax Act applies.

(4) 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.

Deductions and additions in computation of **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

profits for  
capital  
allowances and  
related charges.  
c. 81:02

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.

(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.

Rate of tax.  
[13 of 1993  
2 of 2011]

**10.** Subject to this Act, corporation tax shall be paid at the rate of –

- (a) forty-five per cent of the chargeable profits of a telephone company;
- (b) forty per cent of the chargeable profits of a commercial company, other than a telephone company; and
- (c) thirty per cent of the chargeable profits of any other company.

Minimum tax.  
[16 of 1994  
3 of 1996]

**10A.** (1) Where for any year of assessment the corporation tax payable by a commercial company is less than two per cent of the turnover of the commercial company in the year of income immediately preceding that year of assessment, then, notwithstanding anything contained in sections 4 and 10, and subject to the other provisions of this section, for the aforesaid year of assessment there shall be levied on, and paid by, the commercial company a corporation tax (in this Act referred to as “minimum tax”) at the rate of two per cent of the turnover of the commercial company in such year of income:

Provided that no minimum tax shall be payable by a commercial company for any year of assessment where its

turnover in the year of income immediately preceding that year of assessment did not exceed one million two hundred thousand dollars.

(2) A resident commercial company shall be liable to pay the tax on its entire turnover, wherever arising or accruing, and a non-resident commercial company shall be liable to pay the tax on its turnover directly or indirectly arising from its operations in Guyana.

(3) The following companies are exempt from the minimum tax—

- (a) any company carrying on insurance business in Guyana;
- (b) any company exempt from corporation tax;

(4) In computing the turnover of a commercial company the following shall not be taken into account—

- (i) income or receipts, whether in money or money's worth, which are exempt from corporation tax under section 7.
- (ii) [Deleted by Act No. 2 of 1996]

(5) Where a commercial company has paid minimum tax for any year of assessment, the corporation tax payable by that commercial company for that year of assessment shall be set off against the minimum tax and the excess amount of minimum tax shall be allowed to be carried forward and set off against the corporation tax payable by the commercial company for the succeeding year or years of assessment, to the extent to which such corporation tax is in excess of two per cent of the turnover of the commercial company in the year of income immediately preceding the

year or each of such years of assessment.

(6) Except to the extent to which they are inconsistent with this section —

- c. 81:01
- (a) the other provisions of this Act; and
  - (b) the provisions of the Income Tax Act as applied in relation to corporation tax by this Act,

shall *mutatis mutandis* apply in relation to the minimum tax:

Provided that section 19, proviso (c), of the Income Tax Act, as applied in relation to corporation tax, shall not apply to any company liable to pay minimum tax.

(7) In this section—

- (a) [Deleted by Act No. 3 of 1996]
- (b) “turnover”, in relation to a commercial company, means gross receipts of the commercial company, whether received in Guyana or not, in money or money’s worth in any year of income from the commercial company’s activities, including all cash and credit sales, receipts on account of work done, commissions and fees receivable, and lump sum settlements, without any deductions for expenses, taxes or duties or of any other nature:

Provided that in computing the gross receipts of a commercial company in any year of income the consumption tax paid by that commercial company in relation to any sales, being the source for such receipts, shall be excluded:

Provided further that the receipts in money or money's worth from any source other than a source referred to in section 4 shall not be taken into account in determining the turnover of a commercial company.

(8) Where a company other than a commercial company paid minimum tax for the years of assessment 1995 and 1996, then to the extent that such minimum tax has not been relieved in accordance with subsection (5) the unrelieved minimum tax shall be carried forward and set off against corporation tax payable by the said company for the succeeding year or years of assessment until completely recouped by the taxpayer and the limitation imposed by proviso (c) to section 19 of the Income Tax Act, shall apply with respect to such unrelieved minimum tax.

c. 81:01

Withholding  
tax on  
payments to  
contractors.  
[16 of 1994  
13 of 1996]

**10B.** (1) There shall be levied and paid corporation tax (in this Act referred to as "withholding tax") by every person on payments made by him or it or on his or its behalf to any non-resident company on account of any contract undertaking by or on behalf of that non-resident company, at the rate of ten per cent of such payment made in any year of account.

(2) Where any payment is made by any person or on his or its behalf to a non-resident company in respect of a contract undertaking, the person shall, within thirty days from the date on which the payment is made, account to the Commissioner-General for the payment in such form as may be specified by him or prescribed by regulations and pay over to the Commissioner-General the withholding tax payable in respect of the payment.

(3) The person, who or which is liable to pay the withholding tax under subsection (1) in respect of any payment, may deduct it from the payment.

(4) The withholding tax paid under subsection (1) in respect of any payment made to a non-resident company in



any year of income shall be given credit in computing the corporation tax payable by the non-resident company for the year of assessment following such year of income.

(5) For the purposes of this section, where a payment on account of a contract undertaking is made to any office, branch or agency of any non-resident company in Guyana, the payment shall be deemed to have been made to the non-resident company.

(6) Where any person, liable under subsection (2) to account for and pay over any amount by way of withholding tax to the Commissioner-General, fails or refuses to do so, in addition to the withholding tax, there shall become payable by such person to the Commissioner-General, by way of penalty, an amount which shall be equal to the amount of withholding tax in respect of which the default was committed and such penalty shall be recoverable in the same manner as the withholding tax.

(7) Except to the extent to which they are inconsistent with this section—

c. 81:01

(a) the other provisions of this Act; and

(b) the provisions of the Income Tax Act as applied in relation to corporation tax by this Act,

shall *mutatis mutandis* apply in relation to the withholding tax:

Provided that section 96 of the Income Tax Act as applied to corporation tax shall not apply in relation to withholding tax.

(8) In this section—

(a) “contract” includes a sub-contract;

- (b) “contract undertaking” means the supply of goods or services, or the undertaking of any work, for reward (whether the amount or nature of the reward is, at the time of the making of the contract, fixed and agreed upon or not) under or pursuant to any contract entered into between two or more parties;
- (c) “goods” includes wares, merchandise, articles, chattels and things of any kind or material whatsoever;
- (d) “payment” means gross payment without any deduction whatsoever;
- (e) “work” includes any construction work, manufacture of any article or thing, and repairing, fashioning, altering, cleansing or servicing any article or things.

Power to direct  
distribution of  
certain profits.  
[3 of 1996]

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

(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-General 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-General, 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-General 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-General 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-General 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-General 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.  
[14 of 1992  
3 of 1996]

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 thirty thousand dollars for each such director.

c. 81:02

(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) one hundred and twenty thousand dollars, in the case of the highest paid director;

- (b) ninety-six thousand 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 sixty 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-General appears to be fair and reasonable in view of the time provided by the director to the affairs of the company, the Commissioner-General 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.

Supplementary provisions relating to close companies. Schedules.

**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 provisions of that Schedule.

Application and adaptation of Income Tax (In Aid of Industry) Act as to capital allowance and other matters.

c. 81:02

c. 81:01

**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.

(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 to 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.

Double  
taxation  
relief.  
c. 81:01

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.

(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 provisions of section 92A of the Income Tax Act for the purposes of Corporation Tax.  
[14 of 1989]  
c. 81:01

**15A.** The provisions of section 92A of the Income Tax Act shall, as they apply to income tax, apply mutatis mutandis to corporation tax.

Application of the provisions of the Income Tax Act for the purposes of Corporation Tax.  
[28 of 1991  
10 of 2010]  
c. 81:01

**16.** Subject to sections 8 and 9, the provisions of the Income Tax Act in the Table below shall apply in relation to corporation tax as they apply in relation to income tax under the Income Tax Act but subject to any necessary modifications and adaptations.

TABLE

Provisions in Income Tax Act applied to Corporation Tax

Sections 2, 3, 4, 5, 9, 10, 12, 14, 15, 15A, 16, 17, 18, 19, 29, 30, 31, 32, 33, 33A, 33B, 33C, 33D, 35, 35A, 48, 49, 50, 51, 52, 53, 54, 60, 62,63, 63A, 64, 65, 68, 70, 72, 74, 75, 76, 78, 82, 83, 84, 86, 87, 88, 92A, 96, 97, 98, 99, 101, 102, 103, 104, 105, 106, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117.

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.

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SUBSIDIARY LEGISLATION

Reg. 10/1972  
[ 8 of 1988]

**CORPORATION TAX (PRESCRIBED FORM)  
REGULATIONS**

*made under section 16*

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

SCHEDULE  
CORPORATION TAX RETURN

MADE UNDER THE PROVISIONS OF THE INCOME TAX ACT CHAPTER 81:01 AS APPLIED BY SECTION 16 OF THE CORPORATION TAX ACT YEAR ASSESSMENT ENDING 31<sup>ST</sup> DECEMBER, 20....  
RETURN TO BE MADE OF THE PROFITS OF THE PRECEDING YEAR ENDING 31<sup>ST</sup> DECEMBER 20....

1. I.R.D. File 

--	--	--	--	--	--	--	--	--	--

 Number
2. Company Name: .....  
(BLOCK CAPITAL)
4. Company Address: .....  
(BLOCK CAPITAL)  
.....
4. Nature of Business: .....
5. Accounting Period- From..... To.....
6. Principal Business Activity:.....
7. Principal Product: .....
8. Last Corporation Tax Return was filed for Year Assessment 20.....
9. Office Telephone no.
10. Tick Box if  Commercial Company (See Sec. 2 Income Tax Act Chapter 81:01)  Non-Commercial Company  Close Company (See Schedule to Corporation Tax Act, 1970)

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[Subsidiary]

*Corporation Tax (Prescribed Forms)*

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Insurance Company carrying on Long Term Business as defined in Sec.2 of the Insurance Act, 1970 | <input type="checkbox"/> Investment Company (see Corporation Tax Act Sec.2(i) (a) to (g)) | <input type="checkbox"/> Non-Resident Company (see Corporation Tax Act Sec.2(i) and Sec.2 (iv)) |
|--|---|---|

FOR OFFICIAL USE ONLY			G\$
INCOME		1	
11	Gains or Profits from working of Estates or cultivation of land etc,	2	
12	Gains or Profits from any Trade, Business, Profession or Vocation	3	
13	Dividends, Interest or Discounts (Local)	4	
14	Dividends, Interest or Discounts (Foreign)	5	
15	Charges or Annuities, etc.,	6	
16	Rents, Royalties, Premiums etc.,	7	\$
17	<b>TOTAL INCOME</b>		<b>A</b>
ALLOWANCES			
18	Initial Allowance	8	
19	Wear and Tear	9	
20	Export Allowance	10	
21	Land Development Expenditure Allowance	11	
22	Losses	12	
23	<b>TOTAL DEDUCTION:</b>	13	<b>B</b>
24	<b>CHARGEABLE INCOM (A-B)</b>	14	<b>C</b>
25	SET OFF	15	
26	DOUBLE TAX RELIEF	16	
27	REMISSION	17	
28	<b>TOTAL CREDIT:</b>	18	<b>D</b>
29	<b>NET PROOF FIGURE (C-D)</b>	19	<b>E</b>

- 30 Tax Liability in respect of the Year of Assessment 20 (See Line 39 on Pg2)
- 31 Total Payments in respect of the Year of Assessment 20 (See Line 36)
- 32 Balance of Tax due and payable on or before 30<sup>th</sup> Apr., 20 (Lin 30 less line 36)...
- 33 Cheque No..... Enclosed for \$ ..... being balance of
- 34 Income Tax due as above.....
- Refund (if any)
- 35 Payments in respect of Year of Assessment 20

PAYMENT DUE	RECEIPT NO.	DATE PAID	\$ AMOUNT
15 <sup>th</sup> March, 20			
15 <sup>th</sup> June, 20			
15 <sup>th</sup> Sept., 20			
15 <sup>th</sup> Dec., 20			
		TOTAL	\$

--	--

37. OTHER PAYMENTS (IF ANY) IN RESPECT OF THE YEAR ASSESSMENT 20

GENERAL DECLARATION

LAWS OF GUYANA

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[Subsidiary]

Corporation Tax (Prescribed Forms)

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 and that the schedule 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 of..... 20....

.....  
SIGNATURE

.....  
OFFICE

COMPUTATION OF TAX LIABILITY- See Instructions on Pg 10

Income		G\$	
1. Gross Receipts or Gross Sales(Schedule A)	1.		
2. Returns and Discounts Allowed.	2.		
3. Line 1 less Line 2	3.		
4. Cost of Sale or Operations( Schedule B)	4.		
5. Gross Profits (Line 3 less lines 4)	5.		
6. Dividends and other Distribution (Schedule C)	6.		
7. Interest (Attach Schedule)	7.		
8. Rents (Attach Schedule)	8.		
9. Royalties	9.		
10. Balancing Charge (Schedule H)	10.		
11. Capital Gains deemed Income (Schedule D)	11.		
12. Other Income (Attach Schedule)	12.		
13. Total Income (Sum of Line 5 to 12)	13.		
Deductions			
14. Remuneration of Directors	14.		
15. Salaries and Wages( Not deducted elsewhere	15.		
16. Repairs (Attach Schedule)	16.		
17. Bad and Doubtful Debts (Attach Schedule)	17.		
18. Gross Payments (Schedule F, Part I)	18.		
19. Rates and Taxes (Attach Schedule)	19.		
20. Advertising	20.		
21. Contributions to Approved Funds, Schemes or Plans (Attach Schedule)	21.		
22. Preference Dividends Paid	22.		
23. Initials Allowance ( Attach Schedule)	23.		
24. Wear and Tear Allowance (Schedule G)	24.		
25. Balance Allowance (Schedule H)	25.		
26. Export Allowance (Schedule I)	26.		
27. Land Development Expenditure Allowance (Page 10)	27.		
28. Other Deductions e.g. Reinsurances and Provisions of unexpired risks (Attach Schedule)	28.		
29. Total Deductions (Sum of Lines 14 to 27)	29.		



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*Corporation Tax*

**[Subsidiary]**

*Corporation Tax (Prescribed Forms)*

30. Line 13 less Line 29	30.		
31. Tax Exempt Income (Schedule I)	31.		
32. line 30 less Line 31	32.		
33. Donation under Covenants (Schedule J)	33.		
34. Chargeable Profits (Line 32 less Line 33)	34.		
Corporation Tax			
35. Total Tax (See page 11 of rates)	35.		
36. Tax Relief for Losses Brought Forward (Attach Schedule)	36.		
37. Double Tax Relief (Schedule K)	37.		
38. Tax Relief (sum of Line 36 and 37)	38.		
39. Tax Liability (Line 35 less Line 38)	39.		

Note: (a) Reconciliation of Chargeable Profits with Balance on Profit and Loss Account should be made on Schedule M

### SCHEDULE A- GROSS RECEIPTS OR GROSS SALES

Activity 1	Gross Receipts or Gross Sales (a) \$	Gross Profit 3 \$
1. Agriculture, Forestry, and Fishing		
2. Mining		
3. Quarrying		
4. Manufacturing		
5. Construction		
6. Transport and Communication		
7. Wholesale Trade		
8. Retail Trade		
9. Finance, Banking and Insurance excluding 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 the beginning of year	
2. Purchase of Goods for Sale or manufacture	
3. Direct Salaries and Wages	
4. Other Direct Costs per Accounts	
5. Sum of Line 1 to 4	
6. Stock at end of year	
7. Cost Sales or Operations (Line 5 less line 6). Enter here and on Line 4 of Page 2	

[Subsidiary]

Corporation Tax (Prescribed Forms)

Instructions

- (a) Cost of Sales – If the production, manufacture, purchase or sale of merchandise is an income –determining factor in the trade of 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 Internal Revenue. Application for permission to change a method of stock valuation must be made in writing and filed with the Commissioner 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.

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 on Preference Shares issued before 31 <sup>st</sup> Jan. 1969	Other Dividends	Distribution other than Dividend	Carrying on business in Guyana		Not carrying on business in Guyana	
		6	7	8	Dividends	Distribution other than Dividend	Dividends	Distribution other than Dividend
1	2	3	4	5	6	7	8	9
	\$	\$	\$	\$	\$	\$	\$	\$
Totals								

Instructions

- (a) Dividend Warrants must be submitted
- (b) Enter the total of Column 2 on line 6 of Page 2
- (c) Show total of Column 4 and 5 in Line 2 of Schedule 1

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*Corporation Tax*

[Subsidiary]

*Corporation Tax (Prescribed Forms)*

SCHEDULE D –CAPITAL GAINS DEEMED INCOME  
(Capital Gains Tax Act Chap.81:20 As Amended by Amendment Act 1970  
Assets held for not more than 12 months.

Description of Asset (Attach further details if necessary)	Date of Disposed of	Date Acquired	Selling Price	Cost plus Allowable Expense	
1	2	3	4	5	6
Net Gain.....					

SCHEDULE E- REMUNERATION OF DIRECTORS (Close Companies Only)

Name of Director	Address of Director	Time devoted to business (P.T) or (W.T) (a)	Tick if Director is a full-time employee of company	Ordinary Share Capital owned by Director or Associates	% of Issued Ordinary share Capital owned by Director or Associates	Director's Fees	Other Remuneration	Total Remuneration Allowed as deduction (b)
1	2	3	4	5	6	7	8	9

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, PT 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 1970.

[Subsidiary]

Corporation Tax (Prescribed Forms)

SCHEDULE F- PART 1  
Gross Payments

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

Instructions

- (a) Enter total of Column 1 on Line 18 of Page 2
- (b) Totals in Column 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 Sections 38(9) of the Income Tax Act. Show payments under Section 38(9) separately in Part III 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 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 payment of (1) Management Charges and (5) Charges for Personal Service 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.

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*Corporation Tax*

**[Subsidiary]**

*Corporation Tax (Prescribed Forms)*

**SCHEDULE F- PART II**  
**Gross Payments to Non-Residents.**

Country of Non-Resident to whose Payment is made	Interest on Debt Mortgage or Security 1						Rentals 2			Royalties-Mining 3(a)			Royalties-Patents 3(b)			Management Charges 4		
	R.T.	G.P.	T.W.			R.T.	G.P.	T.W.	R.T.	G.P.	T.W.	R.T.	G.P.	T.W.	R.T.	G.P.	T.W.	
	%	\$	\$	\$	c	%	\$	\$	c	%	\$	\$	c	%	\$	\$	c	
Totals																		

Country of Non Resident to whose Payment is made	Charges for Persona Service and Technic and Managerial Skill 5			Premiums (other than Premium paid to Insurance Companies at Contributions to Pensio Funds and Schemes) 6			Commissions Fees and Licences 7			Discounts 8			Total (Sum of Columns 1 to 8) 9			
	R.T.	G.P.	T.W.	R.T.	G.P.	T.W.	R.T.	G.P.	T.W.	R.T.	G.P.	T.W.	R.T.	G.P.	T.W.	
	%	\$	\$	c	%	\$	\$	c	%	\$	\$	c	%	\$	\$	c
Totals																

R.T. - Rate of Withholding Tax

G.P. - Gross Payment.

T.W. Tax Withheld and paid to Commissioner of Island Revenue

**Instructions**

Where no tax has been paid to Commissioner of Inland Revenue, write Nil under tax withheld

**SCHEDULE F – PART III (CLOSE COMPANIES ONLY)**

**Gross Payments to Participators**

Name of Participator	Address of Participator	Interest or other consideration paid or given for the use of money advanced (See section 27(9)(a) of the Income Tax (a))	Annuity or Annual Payment	Rent or other Consideration paid for the use of Property other than money (b)	Royalty or other consideration paid for the use of Property other than money (b)	Total Payments to Participators (Sum of Columns 3 to 6)
1	2	3	4	5	6	7
		\$	\$	\$	\$	\$

**Instructions**

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

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

[Subsidiary]

Corporation Tax (Prescribed Forms)

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
	\$	\$		%	\$	%	\$	\$

Instructions

- (a) Enter the total of Column 6 on Line 23 of page 2
- (b) Enter the total of Column 8 on Line 24 of page 2
- (c) Enter in Column 9 the sum of Columns 2 and 3 less the sum of columns 6 and 8
- (d) Which have been disposed of should be entered on this schedule as well as on Schedule H.

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 Sale or Trade in Value	Balancing Charging (Profit) (a)	Balancing Allowance (Loss) (a)
1	2	3	4	5	6	7	8	9
	\$			\$	\$	\$	\$	\$
Total								

Instructions

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*Corporation Tax (Prescribed Forms)*

- (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**

1. INTEREST- Transfer from the Schedule on Interest 2. DIVIDEND- 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. INCOME TAX ( in aid of Industry) ACT , CHAPTER 81:03 AND OTHER TAX EXEMPT PROFITS- not reported in Line 1 to 3 above (c)  <p style="text-align: center;">Total</p>	\$	c.
---	----	----

**Instructions**

- (a) Preference Dividends has the meaning given to it in Section 2(1) of the Corporation Tax 1970
- (b) Income Tax (In Aid of industry) Act, Chapter 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 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.

**SCHEDULE J-PAYMENTS UNDER DEEDS OF COVENANT**

Registered Number of Covenant	Date of Execution of Covenant	Term of Covenant	Name of Covenantee	Address of Covenantee	Pay-ments under Coven-ants executed		Amount of Tax withheld and Paid to Commissioner of Inland Revenue	
1	2	3	4	5	6	7	8	
					\$	\$	\$	c.
				Totals				

**Instructions**

- (a) Enter the amount claimed here ..... and on Line 33 of Page 2.
- (b) For Payments under Sec. 35 attach Schedule

[Subsidiary]

Corporation Tax (Prescribed Forms)

SCHEDULE K - DOUBLE TAX RELIEF						
Name of Company or person from whom income is received (grouped according to country)	Type of income (Dividends, interest, Royalties Rent, etc.,) (b)	% of the issued shares of voting stock of the paying company owned by the company, where applicable	Gross income before deduction of tax on foreign company (b)	Tax paid in foreign country (b)	Rate of Tax suffered on foreign country (b)	Relief Claimed
(1)	(2)	(3)	(4)	(5)	(7)	(8)
		%	\$ c	\$ c	\$ c	\$ c

Instructions

- (a) Enter the total of column 7 on line 38 of page 2
- (b) Where different types of income are subject to difference 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- EXPORT ALLOWANCE							
Product Exported	Country of Destination	Export Sales	Total Sales	% of Export Sales in Total Sales	Total Sales Profit	Export Profit (Column 5 x Column 6)	Export allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Instructions

- (a) "Export Sales" means the proceeds of sales (Ex-factory) of the output of the company exported to a country other than a country specified in (c) below by the company either directly or through any other person during a year of income.
- (b) " Total Sales" means the proceeds of sales (Ex-factory) of the output of a company during a year of income.
- (c) " Total Sales Profits" means the amount which would be charged to tax as chargeable profits of the company
  - (i) the manufacture, production and sale of the product to which the export allowance applies were the only source of profit of the company, and



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**[Subsidiary]**

*Corporation Tax (Prescribed Forms)*

- (ii) no loss available as a deduction under Section 19 was taken into account.
- (d) The following products do not qualify for export allowance  
Bauxite, Gold , Diamond, Petroleum Sugar, Rum Molasses, Rice, Timber , Lumber and shrimp
- (e) Exports of the following countries do not qualify for export allowance  
Antigua & Barbuda, Barbados, Belize, Dominica, Grenada, Jamaica, Montserrat, St Christopher & Nevis, St. Lucia, St. Vincent and the Grenadines and Trinidad and Tobago.
- (f) Export allowance is given as a proportion of export profits. The appropriate proportion is determined as set out in the Table below

TABLE

Where the Percentage of Export Sale in relation to Total Sale	Percentage of Export Profit deductible as Export Allowance shall be
(i) is under 10 per cent	Nil
(ii) is 10 per cent or more but does not exceed 21 percent	25 percent
(iii) exceeds 21 per cent but does not exceed 41 per cent	35 percent
(iv) exceeds 41 per cent but does not exceed 61 per cent	45 percent
(v) exceeds 61 per cent	50 percent

**SCHEDULE M RECONCILIATION OF CHARGEABLE PROFIT 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 ALLOWANCE EXPENSES NOT CHARGED AND EXEMPT INCOME INCLUDED**

(1)..... \$.....

(2).....

(3).....

(4).....

(5)..... \$.....

Chargeable Profit as online 34 and 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

[Subsidiary]

*Corporation Tax (Prescribed Forms)*

- (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 6- State the principal business activity which accounts of the largest percentage of gross Receipts
- Line 7- State the principal product of the activity reported at Line 6

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.

Line 8-RENTS

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

Line 12-OTHER INCOME-

- (a) Enter gross amount of each income not reported elsewhere in the return and attach a 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 alteration or any expenses not wholly and exclusively incurred in the production of Income.
- (c) if details have already been supplied in the schedule or 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 debt
  - (iii) the nature of the debt
  - (iv) the length of time the debt has been outstanding
  - (v) the reason for the write-off
  - (vi) what attempts been made to collect the debt
- (c) Where a Provision has been made for doubtful debts, indicate whether it is general or 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 on CORPORATION TAX or PROPERTY TAX.

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*Corporation Tax*

[Subsidiary]

*Corporation Tax (Prescribed Forms)*

- (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 26- EXPORT ALLOWANCE (see Schedule I)**

**Line 27- LAND DEVELOPMENT EXPENDITURE ALLOWANCE**

Insert 10% of Expenditure incurred for the purpose of development and improvement of agricultural land. In this regard, you are to submit a schedule setting out the following:

- (a) Year of Expenditure
- (b) Amount expended for each year
- (c) Amount written off in taxpayer's books in respect of each year's expenditure.
- (d) Amount claimed for current year.

**Line 28- 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 37- TAX RELIEF FOR LOSSES BROUGHT FORWARD.**

- (a) The set-off of previous years' losses is limited to one-half of the tax on the chargeable income (Line 35 of Page 2)
- (b) Show: (i) Amount of loss brought forward from previous years.  
(iii) Amount of loss to be carried forward  
(ii) Amount set off this year to the following year.

### RATES OF TAX

**1. Corporation Tax**

- (a) Commercial Company    Thirty-Five Per centum                      (35%)
- (b) Other than Commercial Company                                  Twenty-Five Per centum                      (25%)

**2. Income Tax**

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

Investment Companies

**3. With- Holding Tax On Distributions**

Type of Company	Distribution To	Rate of Tax
(1) Commercial	(a) Company (Resident or Non Resident)	Forty Per centum (40%)
	(b) Non Resident Individual over \$10,000.00	Forty Per centum (40%)
	(c) Non-Resident Individual \$10,00.00 and under.	Thirty-one Per centum (31%)
(ii) Non	(a) Company (Resident or Non	

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Commercial (Except Long Term Insurance)	Resident)	Thirty-five Per centum (35%)
	(b) Non Resident Individual over \$8,000.00	Thirty-five Per centum (35%)
	(c) Non-Resident Individual \$8,00.00 and under.	Twenty-Seven Per centum (27%)
(iii) Long Term Insurance	(a) Company (Resident or Non Resident)	Forty five Per centum (45%)
	(b) Non Resident Individual	Forty five Per centum (45%)

4. With Holding Tax on Payment

The Rate of Tax on all payments is Twenty-five Per centum (25%)

5. With Holding Tax on Insurance Premiums to Non Resident Companies.

(a) Companies carrying on business in Guyana rate of Tax IS Six per centum (6%)

(b) Companies not carrying on business in Guyana rate of Tax in ten per centum (10%)

PENALTIES

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

2. Where a person has not delivered a Return within the prescribed time under section 60(1) of the Income Tax Act, the Commissioner may add to an assessment made upon such a person a sum equal to two percent of the amount of the tax assessed.

3. Where a person , fail 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 to such person under Section 60 (4) of the Income Tax Act, the Commissioner shall add to an assessment a sum equal to five percent of the amount of the 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 person, or makes an incorrect statement in connection with a claim for deduction in estimating taxable income ; or give 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 on summary conviction to a fine not exceeding \$1,500.00 and double the amount of the tax which has been or would have been undercharged in consequence thereof.

5. Any person who knowingly makes any false statement or representation in any income Tax Return, who keeps or prepares false accounts of any profits chargeable to Income Tax, or aids any person in such offences, is liable on summary conviction to fine not exceeding \$1,500.00 and triple the amount of the tax which has been undercharged in consequence of such false account, particulars return, statement, information or would have been so undercharged if

[Subsidiary]

*Corporation Tax (Payment ) Regulations*  
*Corporation Tax (Exchange of Information) (USA) Order*

account, particulars, return, statement, information or representation has been accepted as correct and to imprisonment for six months.

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Reg. 20/1973  
6 of 1974  
15/1994

## **CORPORATION TAX (PAYMENT) REGULATIONS**

*made under section 16*

Citation.

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

When  
Corporation  
Tax to be paid.  
[Reg. 6/1974  
15/1994]  
c. 81:01  
Sub- leg.

2. The Income Tax (Payment of Tax by Companies) Regulations 1974 shall as the same apply to the payment of income tax by companies, apply *mutatis mutandis* in relation to the payment of corporation tax, including minimum tax but excluding withholding tax.

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O. 36/1992

## **CORPORATION TAX (EXCHANGE OF INFORMATION) (USA) ORDER**

*made under section 16*

Citation.

1. This Order may be cited as the Corporation Tax (Exchange of Information) (United States of America) Order 1992 and shall come into operation upon an exchange of notes by the Contracting States in accordance with Article 6 of the Agreement in the Schedule referred to in clause 2.

Declaration by  
Minister that  
exchange of  
Information

2. I hereby declare that clause 2 and the Schedule to the Income Tax (Exchange of Information) (United States of America) Order 1992 shall as they apply to income tax, apply

[Subsidiary]

*Corporation Tax (Prescribed Forms)*

Agreement  
with United  
States of  
America in  
relation to  
corporation tax  
shall have  
effect.

mutatis mutandis to the corporation tax.

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