



**INTERNAL REVENUE COMMISSION**

| FOR OFFICE USE ONLY |  |
|---------------------|--|
| T.I.N.              |  |
| DOC NO.             |  |
| BATCH NO            |  |
| ASST NO             |  |
| INDUSTRY CODE       |  |

**INCOME TAX ACT 1959 AS AMENDED**

**COMPANY RETURN**

OF INCOME DERIVED FROM ALL SOURCES, IN AND OUT OF PAPUA NEW GUINEA, DURING THE 12 MONTHS FROM

**1 JANUARY 2013 to 31 DECEMBER 2013 or \_\_\_\_\_ to \_\_\_\_\_**

NOTE: FOR INSTRUCTIONS ON THE USE OF THIS FORM SEE PAGES 9 AND 10

|  |   |                             |
|--|---|-----------------------------|
| <b>NAME OF TAXPAYER</b>                                      |   |                             |
| If Name Changed, Previous Name                               |   |                             |
| Business or Trading Name                                     |   |                             |
| Postal Address for Service of Notices                        |   |                             |
| Business Address   |   |                             |
| Address of Registered Office                                 |   |                             |
| Bougainville Taxpayer  | See notes for guidance. If yes mark Y in box.                 |                             |
| Type of Organisation and Registration Number (if applicable) | Company, Business Group, Unit Trust, Superannuation Fund, etc | Company Registration Number |
| If Company, Business Group etc:- Incorporation Details       | Place of Incorporation  | Date of Incorporation       |
| If Superannuation Fund or Unit Trust:- Establishment Details | Place Fund / Unit Trust Established                           | Date Established            |
| Name of Public Officer / Trustee and Date of Appointment     | Name of Public Officer / Trustee                              | Date of Appointment         |
| Banking Details and Nature of Business                       | Name and Address of Banker                                    | Nature of Business          |
| If Tax Exempt, State Why, or State Taxable Income ( Loss )   | If Taxpayer Not Taxable, State Why                            | Taxable Income ( Loss )     |
| Year of Last Return and File Number                          | Year of Last Return   | File Number                 |
| Training Levy Requirements:- State "YES" or "NO"             | Is Payroll in Excess of K200,000                              | Training Levy Return Lodged |

**PARTICULARS RELATING TO SOURCES OF INFORMATION**

**NB. This Questionnaire Is To Be Completed By Or On Behalf Of ALL Taxpayers**

|  |  |
|--|--|
| <ol style="list-style-type: none"> <li>What books of account, if any, are kept by or on behalf of the Taxpayer.</li> <li>State name and address of person/s who kept those books of account.</li> <li>If those books of account are audited each year, state name and address of Auditor.</li> <li>Are the figures in the return in accordance with those books.</li> <li>If no books of account have been kept, upon what basis or information has this return been prepared.</li> <li>Is the income reported on a cash receipts or accruals basis.</li> <li>Where the "Tax Agents Certification" below is signed, has the agent / nominee satisfied themselves from examining the taxpayer's books of account and / or other records that income from all sources for the period has been disclosed in this return.</li> </ol> | <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> |
|--|--|

**PUBLIC OFFICER / TRUSTEE'S DECLARATION**

I, ....., being the duly appointed Public Officer or Trustee of the taxpayer, as the case may be, declare that particulars shown in this return and in the accompanying documents are true and correct in every detail and disclose the total income derived by the taxpayer from all sources in and out of Papua New Guinea during the return period.

Signed ..... Date .....

NB. This declaration and ALL accompanying attachments/schedules must be signed by the Public Officer or Trustee.

**TAX AGENTS CERTIFICATION**

I / We, ..... of ..... having prepared or assisted in the preparation of this return for a fee, hereby certify that the answers set forth in the "Particular Relating to Sources of Information" set out above, are true and correct in every particular.

Signed (Agent/Nominee) ..... Date .....

Contact Person ..... Tax Agent No. ....

Phone No. (BH) .....

## PROFIT AND LOSS ACCOUNT STATEMENT

| ITEMS           | INCOME   |            | K |
|-----------------|--|------------|---|
| 1               | Gross Sales (Cash and Credit)                                | 10         |   |
|                 | Gross Contract and Sub-contractor Income                     | 15         |   |
|                 | Partnership Distribution Income                              | 25         |   |
|                 | Distribution from Trust                                      | 30         |   |
|                 | Oil pipeline tariffs and refinery sales income               | 35         |   |
|                 | Dividend Income  | 40         |   |
|                 | Exchange Gains / Loss  | 45         |   |
|                 | Interest Income  | 50         |   |
|                 | Rental Income  | 55         |   |
|                 | Other Gross Income   | 60         |   |
|                 | <b>TOTAL GROSS INCOME</b>                                    | <b>65</b>  |   |
| <b>EXPENSES</b> |  |            |   |
| 2               | Cost of Goods Sold   | 105        |   |
|                 | Rented property expenses incurred against your rental income | 110        |   |
|                 | Resource Operations Joint Venture Operating expenditure      | 115        |   |
|                 | Accounting and audit fees                                    | 120        |   |
|                 | Amortisation   | 124        |   |
|                 | Advertising & promotion                                      | 125        |   |
|                 | Bad Debts Written Off  | 135        |   |
|                 | Borrowing expenses   | 140        |   |
|                 | Commission   | 145        |   |
|                 | Consultancy fees   | 147        |   |
|                 | Consumables  | 155        |   |
|                 | Depreciation   | 160        |   |
|                 | Development Levy   | 165        |   |
|                 | Directors fees and expenses                                  | 170        |   |
|                 | Entertainment expense  | 175        |   |
|                 | Foreign exchange Losses/(Gains)                              | 180        |   |
|                 | Insurance  | 185        |   |
|                 | Interest expense- PNG  | 190        |   |
|                 | Interest expense- overseas                                   | 195        |   |
|                 | Lease Payments   | 200        |   |
|                 | Legal Expenses   | 205        |   |
|                 | Management fees -PNG   | 207        |   |
|                 | Management fees - Overseas                                   | 210        |   |
|                 | Motor Vehicle Expenses                                       | 215        |   |
|                 | Repairs and maintenance                                      | 220        |   |
|                 | Rental Expense   | 225        |   |
|                 | Royalties - PNG  | 230        |   |
|                 | Royalties - Overseas   | 240        |   |
|                 | Superannuation-PNG   | 243        |   |
|                 | Superannuation-Overseas                                      | 245        |   |
|                 | Travel & accommodation                                       | 250        |   |
|                 | Wages and Salaries   | 253        |   |
|                 | All Other Expenses   | 255        |   |
|                 | <b>TOTAL OPERATING EXPENSES</b>                              | <b>260</b> |   |
|                 | <b>NET PROFIT (LOSS) PER ACCOUNT</b>                         | <b>265</b> |   |

**TAXABLE INCOME RECONCILIATION STATEMENT**

|   |   | K          |  |
|---|---|------------|--|
|   | NET PROFIT/LOSS - TRANSFERRED FROM PAGE 2           | <b>300</b> |  |
| <b>Item 3</b>                               | <b>ADD BACK ITEMS NOT DEDUCTIBLE</b>                |            |  |
|   | Amortisation Charged in the Accounts                | 305        |  |
|   | Depreciation Charged in the Accounts                | 310        |  |
|   | Non Allowable Capital Expenditure                   | 315        |  |
|   | Increase in Provisions and Reserves                 | 320        |  |
|   | Income Tax (if claimed in the Accounts)             | 325        |  |
|   | Non Allowable Donations or Entertainment Expenses   | 327        |  |
|   | Non Allowable Legal Expenses or Club Subscriptions  | 330        |  |
|   | Goodwill or Formation Expenses Written Off          | 335        |  |
|   | Recouped Lease Premiums                             | 340        |  |
|   | Excess Management Fees (S68 AD(3) and S155M)        | 342        |  |
|   | Excess Interest Deduction(S155H)                    | 344        |  |
|   | Other Non allowable Items, for tax purposes, being  | 345        |  |
|   | <b>Total Non-Deductible Items</b>                   | <b>347</b> |  |
|   | <b>SUB TOTAL</b>                                    | <b>350</b> |  |
|   | <b>LESS: ITEMS DEDUCTIBLE</b>                       |            |  |
|   | Non-Assessable Income                               | 355        |  |
|   | Depreciation for Tax Purposes                       | 360        |  |
|   | Depreciation - Additional (Specify)                 | 365        |  |
|   | Allowable Exploration Deduction                     | 370        |  |
|   | Allowable Capital Expenditure - Short life          | 375        |  |
|   | Allowable Capital Expenditure - Long life           | 385        |  |
|   | Section 155N Deduction                              | 390        |  |
|   | Research & Development expenses                     | 393        |  |
|   | Double Deductions, being                            | 394        |  |
|   | Other Tax Deductible Items Not Otherwise Claimed    | 395        |  |
|   | Previous Year Losses Carried Forward                | 396        |  |
|   | Net Exempt Income                                   | 397        |  |
|   | <b>Total Deductible Items</b>                       | <b>398</b> |  |
|   | <b>TAXABLE INCOME/LOSS</b>                          | <b>400</b> |  |
|   | <b>NOTE: THIS STATEMENT MUST BE FULLY COMPLETED</b> |            |  |
| <b>CALCULATION OF TAX PAYABLE STATEMENT</b> |   |            |  |
| <b>Item 4</b>                               | <b>Taxable Income (From Line 400)</b>               | <b>405</b> |  |
|   | <b>Gross Tax</b>                                    | <b>410</b> |  |
|   | <b>Less</b>   |            |  |
|   | Dividend Rebate - S 216                             | 415        |  |
|   | Foreign Taxes Paid - S 219                          | 416        |  |
|   | Infrastructure Development Credit- S219C            | 418        |  |
|   | Interest Withholding Tax- S 219BB                   | 420        |  |
|   | Business Payments Withholding - S 282               | 425        |  |
|   | Resource Royalty & Development levy- S 161A         | 436        |  |
|   | Others (please list): .....                         | 440        |  |
|   | .....   |            |  |
|   | <b>Total Credits &amp; Rebates</b>                  | <b>443</b> |  |
|   | <b>SUB TOTAL</b>                                    | <b>445</b> |  |
|   | <b>Add</b>  |            |  |
|   | Additional Profits Tax - S 159                      | 446        |  |
|   | Late Lodgement Penalty                              | 447        |  |
|   | Omitted Income Penalty                              | 448        |  |
|   | Other Additional Taxes/Penalties                    | 449        |  |
|   | <b>Total Additional Tax</b>                         | <b>450</b> |  |
|   | <b>BALANCE OF TAX</b>                               | <b>453</b> |  |
|   | <b>Less Provisional Tax/Advance Payments Tax</b>    | <b>455</b> |  |
|   | <b>Balance of Tax Payable/Refundable</b>            | <b>470</b> |  |
|   | <b>NOTE: THIS STATEMENT MUST BE FULLY COMPLETED</b> |            |  |

**STATEMENT No. 1 DIVIDENDS PAID / CREDITED DURING THE PERIOD****Note: A copy of each dividend resolution should be forwarded with this return.**

| Name of Shareholder | Amount of Dividend | Whether Ordinary or Preference Dividend | Date Paid | DWT Deducted | If Exempt, State Why |
|---------------------|--------------------|---|-----------|--------------|----------------------|
|                     |                    |   |           |              |                      |
|                     |                    |   |           |              |                      |
|                     |                    |   |           |              |                      |
|                     |                    |   |           |              |                      |
|                     |                    |   |           |              |                      |

**Note: Distributions from a Unit Trust are exempt income.****STATEMENT No. 2 REMUNERATION PAID TO DIRECTORS / SHAREHOLDERS OR RELATIVES OF SUCH PERSONS (PRIVATE COMPANIES ONLY)**

| Full Name of Shareholder<br>Director or Relative | Position Held or<br>Nature of Duties | Average<br>Number<br>of Hours<br>Employed<br>per Week | Amount charged in accounts for period covered by this return |                         |                               |   |   | Salary or<br>Wages Tax<br>Deducted<br>K |
|--|--------------------------------------|---|--|-------------------------|-------------------------------|---|---|---|
|  |                                      |   | Directors<br>Fees<br>K                                       | Salary or<br>Wages<br>K | Commission<br>Bonus etc.<br>K | Allowances<br>Housing<br>Entertaining<br>Motor Car etc<br>K | Retiring<br>Allowances<br>Gratuities<br>etc.<br>K |   |
|  |                                      |   |  |                         |                               |   |   |   |
|  |                                      |   |  |                         |                               |   |   |   |
|  |                                      |   |  |                         |                               |   |   |   |
|  |                                      |   |  |                         |                               |   |   |   |
|  |                                      |   |  |                         |                               |   |   |   |

State Name of other Companies also paying Director / Shareholders Salaries, etc, or Directors Fees and Amount Paid.

Company ..... Person ..... Amount .....

**STATEMENT No. 3 TAXED BUSINESS INCOME OR PRESCRIBED ROYALTY PAYMENTS  
Pin the Original of Your P7 Income Tax Deduction Certificate Here**

| Serial Numbers of Tax<br>Deduction Certificate | Payers<br>Name | Period of<br>Payment | Tax Deducted<br>K t            |  | Income<br>K |
|--|----------------|----------------------|--------------------------------|--|-------------|
|  |                | / / to / /           |                                |  |             |
|  |                | / / to / /           |                                |  |             |
|  |                | / / to / /           |                                |  |             |
|  |                | / / to / /           |                                |  |             |
| <b>TOTAL TAX DEDUCTED</b>                      |                |                      |                                |  |             |
|  |                |                      | <b>TOTAL ELIGIBLE PAYMENTS</b> |  |             |

**STATEMENT No. 4 TRANSACTIONS WITH ASSOCIATES**

| Transaction              | Name of Associate | Postal Address | Amount |
|--------------------------|-------------------|----------------|--------|
| Purchases From           |                   |                |        |
| Sales To                 |                   |                |        |
| Interest Paid            |                   |                |        |
| Interest Received        |                   |                |        |
| Loans From               |                   |                |        |
| Management Fees Paid     |                   |                |        |
| Management Fees Received |                   |                |        |
| Rents Paid               |                   |                |        |
| Rents Received           |                   |                |        |

**STATEMENT No. 5****SHAREHOLDERS OR UNIT TRUST HOLDERS DURING THE PERIOD****NOTE: Not Applicable to Public Companies or Public Unit Trusts**

| Name of Shareholder or Unit Trust Holder | Their File Number | Number of Shares or Units Held | Class of Shares | Date Acquired |
|--|-------------------|--------------------------------|-----------------|---------------|
|  |                   |                                |                 |               |
|  |                   |                                |                 |               |
|  |                   |                                |                 |               |
|  |                   |                                |                 |               |

**STATEMENT No. 6****DIVIDENDS OR UNIT TRUST DISTRIBUTIONS RECEIVED**

| Name of Company or Unit trust | Gross Dividend or Distribution | If Exempt State Why | DWT or Unit Trust WT Deducted | Foreign Tax Paid | Whether Ord or Pref Dividend or Unit Trust Distribution |
|-------------------------------|--------------------------------|---------------------|-------------------------------|------------------|---|
|                               |                                |                     |                               |                  |   |
|                               |                                |                     |                               |                  |   |
|                               |                                |                     |                               |                  |   |
|                               |                                |                     |                               |                  |   |

**STATEMENT No. 7****INTEREST RECEIVED**

Attach proof if IWT or Foreign Tax credit claimed.

| Name of Person Paying Interest | Gross Interest | Interest W T | Foreign Tax Paid | If Exempt State Reason |
|--------------------------------|----------------|--------------|------------------|------------------------|
|                                |                |              |                  |                        |
|                                |                |              |                  |                        |
|                                |                |              |                  |                        |

**STATEMENT No. 8****SUPERANNUATION CONTRIBUTIONS AND PAYOUTS****NOTE: To be Completed by Superannuation Funds only.**

| Members Name | Date Contributions Commenced | Fully Taxed Salary For the Year | Employers Contribution | Employees Contribution | Payout Made During the Year (if any) |
|--------------|------------------------------|---------------------------------|------------------------|------------------------|--------------------------------------|
|              |                              |                                 |                        |                        |                                      |
|              |                              |                                 |                        |                        |                                      |
|              |                              |                                 |                        |                        |                                      |

**STATEMENT No. 9****SUPERANNUATION FUND LOAN BACKS TO MEMBERS / ASSOCIATES****NOTE: To be Completed by Superannuation Funds only.**

| Member or Associate To Whom Funds Loaned | Date of Loan | Loan Balance at Start of Period | Security | Interest | Repayments | Loan Balance at End of Period |
|--|--------------|---------------------------------|----------|----------|------------|-------------------------------|
|  |              |                                 |          |          |            |                               |
|  |              |                                 |          |          |            |                               |
|  |              |                                 |          |          |            |                               |

**STATEMENT No. 10****LOANS FROM SHAREHOLDERS / DIRECTORS****NOTE: To be Completed by Private Companies only.**

| Name of Shareholder or Director | Amount of Loan at Start of Period | Additional Loans (Repayments) During Year | Amount of Loan at End of Period | If New Loans not in Cash, What were They |
|---------------------------------|-----------------------------------|---|---------------------------------|--|
|                                 |                                   |   |                                 |  |
|                                 |                                   |   |                                 |  |
|                                 |                                   |   |                                 |  |
|                                 |                                   |   |                                 |  |

**STATEMENT No. 11****LOANS OR GIFTS MADE BY PRIVATE COMPANIES TO SHAREHOLDERS OR ASSOCIATED PERSONS, OR PAYMENTS MADE ON BEHALF OF OR FOR THE BENEFIT OF SUCH PERSONS**

| Name of Shareholder or Associated Person | Amount of Loan at Start of Period | Repayments made During the Period | Interest Charged | Amount of Loan at End of Period | Value of Gifts or Payments |
|--|-----------------------------------|-----------------------------------|------------------|---------------------------------|----------------------------|
|  |                                   |                                   |                  |                                 |                            |
|  |                                   |                                   |                  |                                 |                            |
|  |                                   |                                   |                  |                                 |                            |
|  |                                   |                                   |                  |                                 |                            |

What security has been given and what are the repayment terms

Why should the above loans not be deemed a dividend

.....

.....

**STATEMENT No. 12**

**SUMMARY OF PROVISIONS AND RESERVE ACCOUNTS**

| Account Name              | Opening Balance<br>K | Additions<br>K | Reductions<br>K | Closing Balance<br>K | Net Increase<br>K | Net Decrease<br>K |
|---------------------------|----------------------|----------------|-----------------|----------------------|-------------------|-------------------|
| Doubtful Debts            |                      |                |                 |                      |                   |                   |
| Holiday Pay               |                      |                |                 |                      |                   |                   |
| Sick Leave                |                      |                |                 |                      |                   |                   |
| Termination Benefits      |                      |                |                 |                      |                   |                   |
| Long Service Leave        |                      |                |                 |                      |                   |                   |
| Capital Profits           |                      |                |                 |                      |                   |                   |
| Share Premium Reserve     |                      |                |                 |                      |                   |                   |
| Income Tax                |                      |                |                 |                      |                   |                   |
| Dividends                 |                      |                |                 |                      |                   |                   |
| General / Revenue Reserve |                      |                |                 |                      |                   |                   |
| Others (Specify)          |                      |                |                 |                      |                   |                   |

**STATEMENT No. 13**

**DEPRECIATION SUMMARY**

|   |         |         |         |             |
|---|---------|---------|---------|-------------|
| Opening Written Down Value for Tax Purposes       |         |         |         | K .....     |
| Additions (at Cost)                               |         |         |         | K .....     |
| LESS: Balancing Charges                           |         |         | K ..... | K ..... (+) |
|   |         |         |         | K .....     |
| Consideration Received or Disposals               |         |         | K ..... |             |
| LESS: Depreciation Recouped                       | K ..... |         |         |             |
| Capital Gain                                      | K ..... | K ..... |         | K ..... (-) |
|   |         |         |         | K .....     |
| Normal Depreciation (Section 73(3) )              |         |         | K ..... |             |
| ADD: Special Depreciation (Section 73 (4) - (9) ) |         |         | K ..... |             |
| Loss on Disposals                                 |         |         | K ..... | K ..... (-) |
|   |         |         |         | K .....     |
| Closing Written Down Value for Tax Purposes       |         |         |         | K .....     |

**STATEMENT No. 14**

**OVERSEAS TRANSACTIONS AND/OR FOREIGN SOURCE INCOME**

NOTE: To be Completed by all Companies .

Tick Box

|  |                          |                          |
|--|--------------------------|--------------------------|
| <b>A. INTERNATIONAL RELATED PARTY DEALINGS / TRANSFER PRICING</b>  | YES                      | NO                       |
| Did you have any transactions or dealings with international related parties (irrespective of whether they were revenue or capital) that exceeded K100,000 in total in the year. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you have loans to or from international related parties that in aggregate exceeded K 2,000,000 at any time during the year?  | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>B. FOREIGN SOURCE INCOME INFORMATION</b>  | YES                      | NO                       |
| Did you have an overseas branch or a direct or indirect interest in a foreign trust or foreign company   | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>IF YOU ANSWERED YES TO ANY PART A OR B QUESTION YOU MUST COMPLETE THE PNG - INTERNATIONAL DEALINGS SCHEDULE.</b>  |                          |                          |

**STATEMENT NO. 15**

**LOSSES INCURRED AND/OR LOSSES CARRIED FORWARD**

Tick box

NOTE: To be Completed by all Companies .

Did you during the year of income incur a loss, recoup or carry a loss forward from a previous year of income?  YES  NO

**IF YOU ANSWERED YES TO THIS QUESTION YOU MUST COMPLETE THE LOSSES SCHEDULE**







## Notes For Guidance

### Please Read Carefully

#### Lodgement Of Returns

This form should be used by any enterprise operating as:

1. A Company
2. A Unit Trust, or
3. A Superannuation Fund.

A company has been defined to include all bodies or associations, whether incorporated or not, but does not include partnerships. Thus a company includes:

1. Companies incorporated under the Companies Act
2. Business Groups
3. Land Groups
4. Youth Groups
5. Clubs
6. Associations
7. Joint Ventures, etc.

Enclosed with each return should be the following documents:

1. Balance Sheet
2. Trading Account, Manufacturing Account etc
3. Detailed Profit and Loss Account
4. Profit and Loss Appropriation Account
5. Notes to the Accounts
6. Directors and Auditors Reports (if applicable).

In addition, each statement shown on the return itself should be completed (where applicable), the front page fully completed and the applicable schedules referred to on page 5 of the return provided. Each page of any of the documents or schedules referred to above should be signed by the Public Officer and the File No. of the return also noted thereon. The returns should be lodged by the February 28 next following the end of the financial year and where this is not possible, an extension of time for lodgement requested. Tax Agents will normally do this on behalf of their clients. Taxpayers who are exempt from the payment of tax must still lodge Tax Returns, unless approval is obtained from the Commissioner General not to lodge them.

#### Bougainville Companies

A Bougainville Company is one whose principal place of business or whose main business activity is carried on in Bougainville Province.

#### Residents And Non-Residents

Taxpayers who are residents of Papua New Guinea must declare their total income from all sources throughout the world, whereas taxpayers that are non-residents need only declare their PNG sourced income.

#### For Taxpayers Who are Companies

A Company will be resident in PNG if:

1. It was incorporated in PNG
2. It was incorporated outside PNG but conducts business here and has its central management and control here.
3. It was incorporated outside PNG but conducts business here and has its voting power controlled by shareholders resident here.

Any Company lodging their first return should enclose a copy of their constitution (if any) as well as their Certificate of Incorporation and change of name (if applicable).

#### For Taxpayers Who are Unit Trusts

A Unit Trust will be resident in PNG if:

1. It was established in PNG, or
2. Its central management and control is in PNG.

Any Unit Trust lodging their first return should enclose a copy of their trust deed. For tax purposes, Unit Trusts are deemed to be Companies (not Trusts).

#### For Taxpayers Who are Superannuation Funds

A Superannuation Fund will be resident in PNG if:

1. It was established in PNG, or
2. Its central management and control is in PNG.

Any Superannuation Fund lodging their first return should enclose a copy of the Superannuation Fund Deed and evidence of authorisation of the Fund, by the BPNG, as without approval, contributions to Superannuation Funds are fully assessable. All Superannuation Funds must complete Statements No 8 and 9 of this return. For tax purposes, Superannuation Funds are deemed to be Companies.

#### Training Levy Requirements

Any employer with a payroll in excess of K200, 000 per annum, in addition to lodging an income tax return, must lodge a Training Levy form. (Form T.L.).

#### Substituted Accounting Periods

Adoption of Substituted Accounting Periods will only be permitted to overseas controlled Companies where the overseas controller has a non-December 31 balance date. The Commissioner General's prior approval is required and a copy of the Directors Minute authorising the changed balance date should be forwarded.

#### Public Officers

Every Company must appoint a resident Public Officer and notify the Commissioner General accordingly, specifying the name of the Public Officer and their address for service of notices. All new appointments should be notified and a penalty of K20 per day may be imposed for failure to appoint a Public Officer.

#### Valuation of Trading Stock

The Income Tax Act (hereinafter "The Act") provides that the value of each article of Trading Stock (not being Livestock) taken into account at the end of the year of income shall be, at the option of the taxpayer:-

- a) its cost price; or
- b) its market selling value; or
- c) the price at which the stock can be replaced.

The above mentioned option shall be exercised by the taxpayer on the lodgement of their first return showing income from a trading business and shall not be varied at any time thereafter except with the approval of the Commissioner General. Where no election is made by the taxpayer, the value of each article of trading stock will be the cost price of the stock.

#### Valuation of Livestock

The value to be placed upon livestock on hand at the end of the financial year shall be, at the option of the taxpayer:-

- a) its cost price; or
- b) its market value.

As was the case for Trading Stock the basis for valuation of livestock cannot be changed from that of the previous year without the approval of the Commissioner General. The value of livestock on hand should include all natural increase (stock born during the year) at the values stated below.

#### Valuation of Natural Increase

Natural increase born during the financial year and still on hand at the end of that year must be valued as follows:-

- a) at market value if other livestock are valued at market value; or
- b) if other livestock is valued at cost, at a value not less than the following amounts:-
 

|                     |         |
|---------------------|---------|
| 1. Sheep            | 40 toea |
| 2. Cattle or Horses | K2      |
| 3. Pigs             | 50 toea |

If a taxpayer fails to select a value for natural increase the Commissioner General will treat the value as being the minimum value set out immediately above.

#### Agriculture Incentive

1. Any amount spent on approved Primary Production Extension Services Plan would be eligible for 150% tax deduction.
2. In the case of incentive rate primary production income derived by a company the rate of income tax is 20% (against normal 30%) of taxable income for the period commencing on the date construction, clearing or planting was started and ending at the end of the tenth full tax year after the date of commencement. "Incentive rate of production income" means income from primary production derived by a company from a new primary production development project that is-
  - a) a project with a capital cost not less than K5 million;
  - b) located in an area in which primary production of the crop or livestock proposed was not previously carried out, or not previously carried out on a large scale; and
  - c) that is not an extension or development of an existing primary production project; and
  - d) that commenced construction, clearing or planting during 1 January 2004 to December 2006.

Any amount spent on approved Research and Development Plan would be eligible for 150% tax deduction.

#### Depreciation

There are two methods of calculating depreciation and the taxpayer may elect to use either one of them. They are:-

1. The diminishing value method.
2. The prime cost method.

A taxpayer may elect to use either method in relation to each purchase of plant but having commenced to depreciate an item of plant using one method that method cannot be changed for that item of plant unless approval is given by the Commissioner General. Unless a taxpayer elects otherwise, the diminishing value method will be used.

Under the diminishing value method the depreciation allowed is one and a half times the rate of depreciation allowable under the prime cost method. With depreciation being calculated on the written down value of the plant this method will initially allow a greater deduction for depreciation. Under the prime cost method depreciation is calculated as a percentage of the original cost price and a fixed deduction for each item of plant will be allowed each year. Taxpayers may pool assets with the same depreciation rate.

The rates of depreciation to be applied to plant for income tax purposes are set out in the Schedule of Rates for Annual Depreciation. It is not practical to detail those rates here, so if

you are unsure of the rates of depreciation for a particular item of plant you should ask an enquiry officer from the Internal Revenue Commission.

Special rates or loadings to the standard rates apply in the following cases:-

1. Certain new plant – 20% loading
2. Improvements to plant to conserve fuel – 20% loading
3. New non oil fired plant – 30% loading
4. Conservation of existing oil fired plant to non oil fired plant – 30% loading
5. Industrial plant not previously used in PNG – 100% write-off unless write-off would create a tax loss, in which case the write-off is limited to the amount which would reduce taxable income to nil.
6. Plant used directly for the purposes of agriculture production – 100% write-off.
7. Plant used solely for commercial fishing purposes – 100% write-off.

In this context, "loading" means that additional depreciation as a percentage of the original cost price is allowable. From January 1 1980 depreciation cannot be claimed on buildings situated outside Papua New Guinea.

#### Disposal Loss or Destruction of Plant

Where property is disposed of, lost or destroyed at any time during the year of income, any amount by which the written down value exceeds the consideration received or insurance claims recovered is an allowable deduction. If the consideration received or insurance claims recovered exceeds the written down value, the excess, to the extent of the depreciation allowed over the years as a deduction, is required to be included in assessable income. As an alternative, the excess to be included in assessable income (the balancing charge) can be treated as a reduction in the written down value of other depreciable property, in which case, depreciation on the plant nominated for the balancing charge will be deducted from that reduced written down value or from the cost of replacement plant less the balancing charge. An election to have the excess treated as a balancing charge must be lodged with the return.

#### Recouped Lease Premiums

Where, after 1 June 1994, a previously leased asset, which has been acquired at its residual value by either the taxpayer or an associate, is sold at a profit, that profit, to the extent of the lesser of the lease premiums allowed or the profit made, is assessable to the taxpayer who claimed the lease premiums.

#### Entertainment Expenses

From 1 January 1995 entertainment expenses became deductible only in very limited circumstances. Those circumstances are:-

1. Where the "entertainment" expenses are incurred because the taxpayer is in the business of providing entertainment (as defined) ie, they provide food, drink, etc, but are paid for doing so, ie, restaurants, hotels, club etc.
2. Where the entertainment is provided by exhibiting or giving away to the public specific goods or services produced or supplied by the taxpayer.
3. Where the entertainment, typically in the form of food or drinks is provided non selectively to members of the public whilst the taxpayer's products or services are being advertised or exhibited.
4. Where the "entertainment" is in the form of food or drink provided to employees (otherwise than at an office party or social function) during working days at staff canteens or dining rooms, or during a working seminar or overtime.
5. Where the entertainment is provided to members of the public who are sick, disabled, poor or otherwise disadvantaged.

Entertainment has been defined to include the provision of food drink or recreation, as well as any related travel or accommodation. The effect of limiting the deduction for entertainment is that expenses on business lunches / dinners, entertaining existing / prospective clients or business associates is no longer deductible. Nor is the cost of cocktail parties, dinner parties, Christmas parties, etc. There is also no deduction for entertainment allowances paid to employees.

#### Appointment of Liquidators or Receivers

A Liquidator of any Company which is being wound up, an agent for a non resident required by his principal to wind up its business or a receiver for debenture holders who has taken possession of any assets of a company, is required, within 14 days of being appointed as Liquidator or after he has taken possession of the assets, to give notice thereof to the Commissioner General and request advice as to the amount which must be set aside for the payment of tax. In the case of voluntary liquidations, a copy of the directors' resolution agreeing to voluntary liquidation should be enclosed with notification of the liquidators appointment. Failure to give notice or to provide for tax could result in the liquidator, agent or receiver becoming personally liable for the tax payable and a fine of up to K5000.

Liquidators distributions, to the extent that they represent income derived by the company (before or after the liquidators appointment) or are from amounts which have been (or should have been) included in a company's assessable income, are deemed to be dividends. Dividend Withholding Tax would be payable on such deemed dividends, which would form part (or all) of the tax liability to be notified to the liquidator. To assist us in calculating this final tax liability the liquidator should submit accounts to a date at which point all assets have been realised (or distributed in specie) and all liabilities paid off. To the extent that the final accounts do show assets or liabilities, advice should be given as to how the liquidator proposes to deal with them.

#### Dividends and Dividend Withholding Tax (DWT)

Wherever a dividend has been declared a copy of the relevant directors' minute should be enclosed with the return. In general, where dividends are paid, DWT must be deducted from the dividend and paid to the Commissioner General (currently at the rate of 17%).

Specifically, DWT must be deducted in the following cases:

1. Dividends paid by all resident companies.

2. Dividends derived by resident companies from overseas sources.
3. Amounts deemed to be dividends derived by resident companies (this would include liquidators distributions).

There are some exemptions from deduction of DWT and these are in respect of:

1. Dividends paid to certain bodies or prescribed organisations exempt from income tax.
2. Bonus share issues (not being redeemable) paid up from capital profits reserves or asset revaluation reserves.
3. Dividends paid to non-residents from income resulting from petroleum or gas operations.
4. Dividends paid by the Investment Corporation Fund.
5. Dividends derived by Superannuation Funds approved (by the Commissioner General) or non resident Superannuation Funds.

Where a company has borne DWT in respect of any dividends it has received and in turn, within 7 years of receiving the dividend, it declares a dividend from a fund which includes the dividend it received, the DWT borne can be refunded or applied towards the payment of DWT otherwise due. To qualify for this refund or credit, gross dividends received are to be recorded in an "Undistributed Dividend Income Account" and the DWT suffered in respect of such dividends recorded in a "Refundable Dividend (Withholding) Tax Account". Strictly speaking, the dividend should be declared from funds which include those set aside in the "Undistributed Dividend Income Account" to obtain this refund or credit. A refund of DWT is also available for dividends paid to exempt bodies from the "Undistributed Dividend Income Account".

#### Previous Year Losses

A tax loss incurred in a previous financial period can be claimed as a deduction in any of the returns for the next 20 financial periods. The loss is to be claimed (or written off) first against any exempt income (including exempt interest) of those twenty financial periods and next against any remaining taxable income of those years after all allowable deductions have been claimed. The 20 year restriction for claiming the losses does not apply to losses incurred from engaging in primary production or any other loss incurred before 1 January 1993. Previous year losses cannot be claimed unless there is continuity of ownership of the business, ie, the same shareholders owned at least 50% of the issued share capital at all times during both the year of loss and the year the losses are being claimed, or there is continuity of business, ie, there is insufficient continuity of shareholders but the business conducted during the whole of the year the loss is being claimed, is the same as was conducted immediately before the controlling shareholders changed.

#### Associated persons

The definition of "associate" in Section 4 of the Act is very wide reaching and complicated in its interpretation. Some of the more common relationships which would result in the parties thereto being associates would include:

1. A company and a shareholder.
2. A company and its parent company.
3. A company and a relative or spouse of a shareholder.
4. A company and a business in which a relative or spouse of a shareholder has an interest.
5. A company and a branch office of that company.
6. A company and another company with a common shareholder.
7. An administration or service company and the person or partnership whose business they deal with.
8. Any two companies having the same parent company.
9. A Unit Trust and a unit holder or its trustee.
10. A Superannuation fund and a member of fund.

This list is not intended to be exhaustive, but rather, illustrative of the types of relationships which can make people or enterprises associates.

#### Taxable Income Reconciliation Statement

On page 2 is the Taxable Income Reconciliation Statement, which all taxpayers using this return must complete. Its purpose is to convert accounting net profit to taxable income and it is necessary because the underlying principles of accounting and the income tax law differ. For instance, for accounting purposes, expenses must be matched with the income period with which they are related, whereas for tax purposes they must be claimed in the year they are incurred. Similarly, some items that can be expensed for accounting purposes are not deductible for tax purposes or may even qualify for a double deduction for tax purposes. The statement of taxable income reconciles the differences between accounting principles and taxation law.

#### Agents and Trustees

Under the Act any person who can be described as an agent or trustee for another taxpayer or who is in receipt or control of money belonging to or owing to a non resident, may be liable to pay tax on that persons behalf and otherwise attend to their tax obligations. Failure to do so can result in personal liability to pay the tax due from that other taxpayer or non-resident. Examples of cases where a local taxpayer might be responsible as agent or trustee or for taxes due by a non-resident would include:

1. The master or agent of an overseas shipping company.
2. A person or company engaging a foreign contractor.
3. A person or company paying a taxable management fee.
4. A company paying interest to a non resident.
5. A person or company paying an insurance premium to a non resident insurer.
6. An insurer reinsuring with a non resident.
7. A liquidator.

|            |                     |
|------------|---------------------|
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**PNG - LOSSES SCHEDULE**

Name of Entity

Tax File Number  Tax ID Number

Name of Ultimate Beneficial Owner

- Q1 Have you incurred a tax loss in the year of income (YOI)? Yes  1  No  2
- Q2 If "Yes", what is the amount of that loss?  5
- Q3 You must reduce that loss by the amount of any net exempt income derived during the YOI. Set out the amount of any net exempt income derived during the YOI.  7
- Q4 Have you utilised a prior year loss in the current YOI? You must reduce any loss carried forward by the amount of any net exempt income derived before utilising the loss. Yes  10  No  12
- Q5 Have you had any significant change in ownership or ultimate beneficial ownership of the company during the period for which losses have been carried forward? Yes  15  No  16

If yes, provide details of the change in ownership as a separate attachment.

Q6 Losses may only be carried forward where there is continuity of ownership (COT) or where the company meets the requirements of the same business test (SBT). In the table below, provide details of the losses carried forward from each income year, the test which will be met to enable them to be carried forward, any losses utilised, any losses expired and any remaining losses carried forward to the next YOI. Please show losses after any reduction for any net exempt income received.

| Year of income | Current year loss incurred and prior year losses brought forward to YOI | Test Satisfied |     | Losses utilised in YOI | Losses Carried Forward to next YOI |
|----------------|---|----------------|-----|------------------------|------------------------------------|
|                |   | COT            | SBT |                        |                                    |
| 2013           | 20  | 21             | 22  | 23                     | 25                                 |
| 2012           | 30  | 31             | 32  | 33                     | 35                                 |
| 2011           | 40  | 40             | 42  | 43                     | 45                                 |
| 2010           | 50  | 51             | 52  | 53                     | 55                                 |
| 2009           | 60  | 61             | 62  | 63                     | 65                                 |
| 2008           | 70  | 71             | 72  | 73                     | 75                                 |
| 2007           | 80  | 81             | 82  | 83                     | 85                                 |
| 2006           | 90  | 91             | 92  | 93                     | 95                                 |
| 2005           | 100   | 101            | 102 | 103                    | 105                                |
| 2004           | 110   | 111            | 112 | 113                    | 115                                |
| 2003           | 120   | 121            | 122 | 123                    | 125                                |
| 2002           | 130   | 131            | 132 | 133                    | 135                                |
| 2001           | 140   | 141            | 142 | 143                    | 145                                |
| 2000           | 150   | 151            | 152 | 153                    | 155                                |
| 1999           | 160   | 161            | 162 | 163                    | 165                                |
| 1998           | 170   | 171            | 172 | 173                    | 175                                |
| 1997           | 180   | 181            | 182 | 183                    | 185                                |
| 1996           | 190   | 191            | 192 | 193                    | 195                                |
| 1995           | 200   | 201            | 202 | 203                    | 205                                |
| 1994           | 210   | 211            | 212 | 213                    | 215                                |
| 1993           | 220   | 221            | 222 | 223                    | 225                                |
| Prior          | 230   | 231            | 232 | 233                    | 235                                |
| Expired        | 240   | 241            | 242 | 243                    | 245                                |

Total of losses claimed in Company Tax Return  250

## STATISTICAL INFORMATION

(To Be Completed by Taxpayer / Tax Agent)

| BUSINESS PROFILE                    | No. |   |
|-------------------------------------|-----|---|
| Opening stock                       | 500 | K |
| Purchases                           | 505 | K |
| Closing Stock                       | 510 | K |
| Trade Debtors                       | 515 | K |
| All current assets                  | 520 | K |
| Closing Depreciable assets          | 525 | K |
| Total Assets                        | 530 | K |
| Trade Creditors                     | 535 | K |
| All current liabilities             | 540 | K |
| Total Liabilities                   | 545 | K |
| Shareholder's Funds (or Net Assets) | 550 | K |
| Payroll                             | 555 | K |
| Number of Employees (Average)       | 560 | K |

| SECTION | EXEMPTION/DEDUCTION                               | No. | AMOUNT ( Tax foregone) |
|---------|---|-----|------------------------|
| 35      | Interest  | 600 | K                      |
| 55A     | Fishing Operations                                | 605 | K                      |
| 42      | Dividends   | 610 | K                      |
| 45B     | Export Sales                                      | 615 | K                      |
| 45I     | Rural Development Incentive                       | 620 | K                      |
| 45N     | Bougainville Incentive                            | 625 | K                      |
| 68A     | Solar Heating                                     | 630 | K                      |
| 69A     | Gifts-Sporting Bodies                             | 635 | K                      |
| 69C     | Gifts- Law Order & Justice                        | 640 | K                      |
| 69E     | Gifts- Charitable Organisations                   | 645 | K                      |
| 69H     | Gifts- Law & Order Projects                       | 650 | K                      |
| 69I     | Gifts-National Day Celebrations                   | 655 | K                      |
| 69K     | Gifts-PNG Sports Federation                       | 660 | K                      |
| 69M     | Island Forum                                      | 665 | K                      |
| 70A     | Education Expenses (Individuals only)             | 670 | K                      |
| 72A     | Double Deduction-Staff Training *                 | 675 | K                      |
| 72C     | Double Ded'n-Export Mkt Develop't - Manufacturing | 680 | K                      |
| 72C     | Double Ded'n-Export Mkt Develop't - Tourism       | 685 | K                      |
| 73(3)   | Depreciation -20% Loading                         | 690 | K                      |
| 73(4)   | Depreciation -Fuel Conservation                   | 695 | K                      |
| 73(5)   | Depreciation-Non Oilfired (Converted)             | 700 | K                      |
| 73(6)   | Depreciation-Non Oilfired (Aquired)               | 705 | K                      |
| 73(7)   | Depreciation - Industrial Development             | 710 | K                      |
| 73(9)   | Depreciation - Primary Production                 | 715 | K                      |
| 95(9)   | 150% Research & Develop't Expd't                  | 720 | K                      |
| 97A     | Primary Prodn Develop't Expenditure               | 725 | K                      |
| 97B(1)  | 150% Extension Services Expd't                    | 730 | K                      |
| 155J    | Double Ded'n- Unit of property                    | 735 | K                      |
| 155N    | Amortisation - Exploration Expenditure            | 740 | K                      |
| 156D    | Amortisation - Exploration Expenditure- Mining    | 745 | K                      |
| 156E    | Double Ded'n- Exploration Expenditure- Mining     | 750 | K                      |
| 158J    | Amortisation - Allowable Capital Expenditure      | 755 | K                      |
| Ch119   | Pioneer Industries                                | 760 | K                      |
| Other   |   | 765 | K                      |

\* Additional 100% only - Not the whole 200%

# PNG - INTERNATIONAL DEALINGS SCHEDULE

## IDENTIFICATION

Name of Entity A

Tax Identification No. B  Tax File Number

Ultimate Holding Entity C

Country of Residence D

## Part A - International Related Party Transactions

**Q1**

a. Did you have any transactions or dealings with international related parties (irrespective of whether they were revenue or capital in nature) that exceeded K100,000 in total in the year (excluding the capital value of loans) in the year? Yes A   
No B

b. Did you have loans to or from international related parties that in aggregate exceeded K2,000,000 at any time during the year? Yes C   
No D

If you answered yes to question 1a you must complete question 2 and 3 AND/OR if you answered YES to question 1b you must complete question 4 and then go to Part B.

If you answered no to question 1a and 1b you do not have to complete Part A of this Schedule – Please go to Part B.

**Q2** Provide the following details for each of the following categories of international related party dealings.

**a. Tangible Property**

|               | Purchases/Expenditure   | Sales/Revenue   | Method  | Country   | Doc'n   |
|---------------|---|---|---|---|---|
| Trading Stock | A <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | B <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | C <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | D <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | E <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |
| Rent          | F <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | G <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | H <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | I <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | J <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |
| Other         | K <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | L <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | M <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | N <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | O <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |

Other Description:

**b. Intangible Property**

|                         | Purchases/Expenditure   | Sales/Revenue   | Method  | Country   | Doc'n   |
|-------------------------|---|---|---|---|---|
| Royalties               | A <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | B <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | C <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | D <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | E <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |
| Transfer of intangibles | F <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | G <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | H <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | I <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | J <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |
| Other                   | K <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | L <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | M <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | N <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | O <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |

Other Description:

**c. Financial Transactions**

|                                 | Purchases/Expenditure   | Sales/Revenue   | Method  | Country   | Doc'n   |
|---------------------------------|---|---|---|---|---|
| Interest, discounts, guarantees | A <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | B <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | C <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | D <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | E <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |
| Insurance                       | F <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | G <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | H <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | I <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | J <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |
| Other                           | K <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | L <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | M <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | N <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | O <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |

Other Description:

**d. Services**

|                         | Purchases/Expenditure   | Sales/Revenue  | Method   | Country  | Doc'n  |
|-------------------------|---|--|--|--|--|
| Management Fees         | A <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | B <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | C <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | D <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | E <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  |
| Marketing               | F <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | G <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | H <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | I <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | J <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  |
| IT, communication       | K <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | L <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | M <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | N <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | O <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  |
| Technical, construction | P <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | Q <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | R <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | S <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | T <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  |
| R&D                     | U <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | V <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | W <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | X <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  | Y <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>  |
| Other                   | Z <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | AA <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | AB <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | AC <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | AD <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |

Other Description:

**e. Other**

|         | Purchases/Expenditure   | Sales/Revenue   | Method  | Country   | Doc'n   |
|---------|---|---|---|---|---|
| Revenue | A <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | B <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | C <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | D <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | E <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |

Description:

|         |   |   |   |   |   |
|---------|---|---|---|---|---|
| Capital | F <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | G <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | H <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | I <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> | J <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> |
|---------|---|---|---|---|---|

Description:

**Q3** For each of the five categories in Q2 state the percentage of the total Kina value for each of those categories that are represented by International Related Party Dealings.

|                        | IRPD %                |                      | IRPD %        |                      |
|------------------------|-----------------------|----------------------|---------------|----------------------|
|                        | Purchases/Expenditure |                      | Sales/Revenue |                      |
| Tangible Property      | A                     | <input type="text"/> | B             | <input type="text"/> |
| Intangible Property    | C                     | <input type="text"/> | D             | <input type="text"/> |
| Financial Transactions | E                     | <input type="text"/> | F             | <input type="text"/> |
| Services               | G                     | <input type="text"/> | H             | <input type="text"/> |
| Other                  | I                     | <input type="text"/> | J             | <input type="text"/> |

**Q4** Where you have provided loans to an International Related Party - provide the following details in regard to those loans.

**a. Interest Bearing**

|          | Average Balance |                      | Interest Paid Received |                      | Method | Country | Doc'n |
|----------|-----------------|----------------------|------------------------|----------------------|--------|---------|-------|
| Borrowed | A               | <input type="text"/> | B                      | <input type="text"/> | C      | D       | E     |
|          | F               | <input type="text"/> | G                      | <input type="text"/> | H      | I       | J     |
|          | K               | <input type="text"/> | L                      | <input type="text"/> | M      | N       | O     |
|          | P               | <input type="text"/> | Q                      | <input type="text"/> | R      | S       | T     |
|          | U               | <input type="text"/> | V                      | <input type="text"/> | W      | X       | Y     |
| Loaned   | Z               | <input type="text"/> | AA                     | <input type="text"/> | AB     | AC      | AD    |
|          | AE              | <input type="text"/> | AF                     | <input type="text"/> | AG     | AH      | AI    |
|          | AJ              | <input type="text"/> | AK                     | <input type="text"/> | AL     | AM      | AN    |
|          | AO              | <input type="text"/> | AP                     | <input type="text"/> | AQ     | AR      | AS    |

**b. Non-Interest Bearing**

|          | Average Balance |                      | Method | Country | Doc'n |
|----------|-----------------|----------------------|--------|---------|-------|
| Borrowed | A               | <input type="text"/> | B      | C       | D     |
|          | E               | <input type="text"/> | F      | G       | H     |
|          | I               | <input type="text"/> | J      | K       | L     |
|          | M               | <input type="text"/> | N      | O       | P     |
| Loaned   | Q               | <input type="text"/> | R      | S       | T     |
|          | U               | <input type="text"/> | V      | W       | X     |
|          | Y               | <input type="text"/> | Z      | AA      | AB    |
|          | AC              | <input type="text"/> | AD     | AE      | AF    |

**Part B - Foreign Sourced Income Information**

**Q5** Did you have an overseas branch or a direct or indirect interest in a foreign company or trust? If you answer yes, you must complete questions 6, 7 and 8. Yes A  No B

**Q6** Show the number of associated international foreign entities you have an interest in. C

**Q7** Show the number of overseas branches held during the year D

**Q8** Did you derive any amount of foreign sourced income during the year? Yes E  No F

If yes, what was amount of foreign sourced income during the year? G

Note: if the information requested is not relevant or the answer is NIL leave the fields blank.