

Taxation (F6)

Russia (RUS)

June 2008

This syllabus and study guide is designed to help with planning study and to provide detailed information on what could be assessed in any examination session.

THE STRUCTURE OF THE SYLLABUS AND STUDY GUIDE

Relational diagram of paper with other papers

This diagram shows direct and indirect links between this paper and other papers preceding or following it. Some papers are directly underpinned by other papers such as Advanced Performance Management by Performance Management. These links are shown as solid line arrows. Other papers only have indirect relationships with each other such as links existing between the accounting and auditing papers. The links between these are shown as dotted line arrows. This diagram indicates where you are expected to have underpinning knowledge and where it would be useful to review previous learning before undertaking study.

Overall aim of the syllabus

This explains briefly the overall objective of the paper and indicates in the broadest sense the capabilities to be developed within the paper.

Main capabilities

This paper's aim is broken down into several main capabilities which divide the syllabus and study guide into discrete sections.

Relational diagram of the main capabilities

This diagram illustrates the flows and links between the main capabilities (sections) of the syllabus and should be used as an aid to planning teaching and learning in a structured way.

Syllabus rationale

This is a narrative explaining how the syllabus is structured and how the main capabilities are linked. The rationale also explains in further detail what the examination intends to assess and why.

Detailed syllabus

This shows the breakdown of the main capabilities (sections) of the syllabus into subject areas. This is the blueprint for the detailed study guide.

Approach to examining the syllabus

This section briefly explains the structure of the examination and how it is assessed.

Study Guide

This is the main document that students, tuition providers and publishers should use as the basis of their studies, instruction and materials. Examinations will be based on the detail of the study guide which comprehensively identifies what could be assessed in any examination session. The study guide is a precise reflection and breakdown of the syllabus. It is divided into sections based on the main capabilities identified in the syllabus. These sections are divided into subject areas which relate to the sub-capabilities included in the detailed syllabus. Subject areas are broken down into sub-headings which describe the detailed outcomes that could be assessed in examinations. These outcomes are described using verbs indicating what exams may require students to demonstrate, and the broad intellectual level at which these may need to be demonstrated (*see intellectual levels below).

Reading lists

ACCA examiners will recommend study texts and text books where these are available, which students may read as part of their preparation for the exam. Relevant articles will also be published in *student accountant*.

INTELLECTUAL LEVELS

The syllabus is designed to progressively broaden and deepen the knowledge, skills and professional values demonstrated by the student on their way through the qualification.

The specific capabilities within the detailed syllabuses and study guides are assessed at one of three intellectual or cognitive levels:

Level 1: Knowledge and comprehension

Level 2: Application and analysis

Level 3: Synthesis and evaluation

Very broadly, these intellectual levels relate to the three cognitive levels at which the Knowledge module, the Skills module and the Professional level are assessed.

Each subject area in the detailed study guide included in this document is given a 1, 2, or 3 superscript, denoting intellectual level, marked at the end of each relevant line. This gives an indication of the intellectual depth at which an area could be assessed within the examination. However, while level 1 broadly equates with the Knowledge module, level 2 equates to the Skills module and level 3 to the Professional level, some lower level skills can continue to be assessed as the student progresses through each module and level. This reflects that at each stage of study there will be a requirement to broaden, as well as deepen capabilities. It is also possible that occasionally some higher level capabilities may be assessed at lower levels.

LEARNING HOURS

The ACCA qualification does not prescribe or recommend any particular number of learning hours for examinations because study and learning patterns and styles vary greatly between people and organisations. This also recognises the wide diversity of personal, professional and educational circumstances in which ACCA students find themselves.

Each syllabus contains between 23 and 35 main subject area headings depending on the nature of the subject and how these areas have been broken down.

GUIDE TO EXAM STRUCTURE

The structure of examinations varies within and between modules and levels.

The Fundamentals level examinations contain 100% compulsory questions to encourage candidates to study across the breadth of each syllabus.

The Knowledge module is assessed by equivalent two-hour paper based and computer based examinations.

The Skills module examinations are all paper based three-hour papers. The structure of papers varies from ten questions in the *Corporate and Business Law* (F4) paper to four 25 mark questions in *Performance Management* (F5) and *Financial Management* (F9). Individual questions within all Skills module papers will attract between 10 and 30 marks.

The Professional level papers are all three-hour paper based examinations, all containing two sections. Section A is compulsory, but there will be some choice offered in Section B.

For all three hour examination papers, ACCA has introduced 15 minutes reading and planning time.

This additional time is allowed at the beginning of each three-hour examination to allow candidates to read the questions and to begin planning their answers before they start writing in their answer books. This time should be used to ensure that all the information and exam requirements are properly read and understood.

During reading and planning time candidates may only annotate their question paper. They may not write anything in their answer booklets until told to do so by the invigilator.

The Essentials module papers all have a Section A containing a major case study question with all requirements totalling 50 marks relating to this case. Section B gives students a choice of two from three 25 mark questions.

Section A of each of the Options papers contains 50-70 compulsory marks from two questions, each attracting between 25 and 40 marks. Section B will offer a choice of two from three questions totalling 30-50 marks, with each question attracting between 15 and 25 marks.

The pass mark for all ACCA Qualification examination papers is 50%.

GUIDE TO EXAMINATION ASSESSMENT

ACCA reserves the right to examine anything contained within the study guide at any examination session. This includes knowledge, techniques, principles, theories, and concepts as specified. For the financial accounting, audit and assurance, law and tax papers, ACCA will publish *examinable documents* every six months to indicate exactly what regulations and legislation could potentially be assessed at the following examination session. Knowledge of new examinable regulations will not be assessed until at least six calendar months after the last day of the month in which legislation is signed by The President. The relevant cut-off date for the June examinations is 30 November of the previous year, and for the December examinations, it is 31 May of the same year.

The study guide offers more detailed guidance on the depth and level at which the examinable documents will be examined. The study guide should therefore be read in conjunction with the examinable documents list.

Syllabus

(F6) RUS

AIM

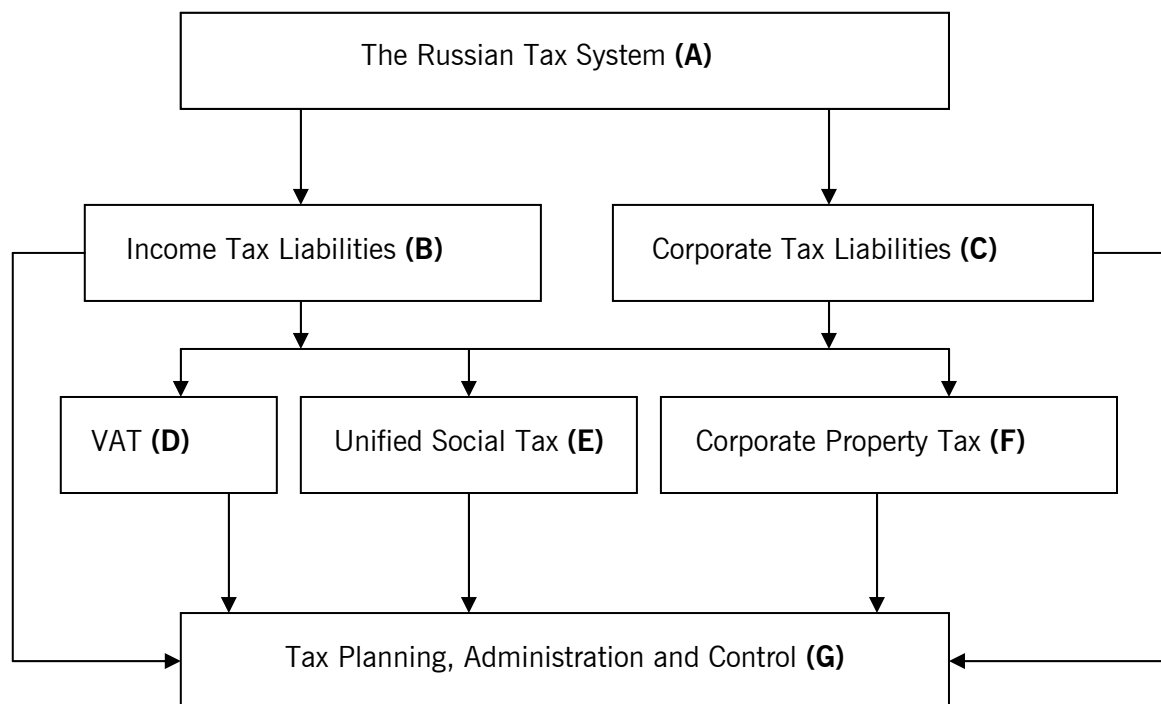
To develop knowledge and skills relating to the tax system as applicable to Russian legal entities and individuals.

MAIN CAPABILITIES

After completing this examination paper students should be able to:

- A** Explain the operation and scope of the Russian tax system
- B** Explain and compute the income tax liabilities of individuals in their capacity as individual entrepreneurs and employees
- C** Explain and compute the corporate profits tax liabilities of Russian legal entities
- D** Explain and compute the effects of value added tax on incorporated businesses
- E** Explain and compute the effect of unified social tax on employees, employers and individual entrepreneurs
- F** Explain and compute the corporate property tax liability of Russian legal entities
- G** Identify and explain the obligations of taxpayers and/or their agents and the implications of non-compliance.

RELATIONAL DIAGRAM OF MAIN CAPABILITIES



RATIONALE

This syllabus introduces candidates to the subject of taxation and provides the core knowledge of the underlying principles and major technical areas of taxation, as they affect the activities of individuals and businesses.

In this syllabus, candidates are introduced to the rationale behind and the functions of the tax system. The syllabus then considers the separate taxes that an accountant would need to have a detailed knowledge of, such as personal income tax of both employees and individual entrepreneurs; the corporate profits tax and corporate property tax liabilities of Russian legal entities; the unified social tax liabilities of employees, employers and individual entrepreneurs and the value added tax liability of incorporated businesses

Having covered the core areas of the basic taxes, candidates should be able to compute tax liabilities, explain the basis of their calculations, apply tax planning techniques for individuals and companies and identify the compliance issues for each major tax through a variety of business and personal scenarios and situations.

DETAILED SYLLABUS

A The Russian tax system

1. The overall function and purpose of taxation in a modern economy
2. Different types of taxes
3. The tax regulatory framework

B Income tax liabilities

1. The scope of individual income tax
2. Income from employment
3. Income earned by individual entrepreneurs
4. Dividend and other income
5. The comprehensive computation of taxable income and individual income tax liability

6. The use of exemptions and deductions in minimising individual income tax liabilities

C Corporate profits tax liabilities

1. The scope of corporate profits tax
2. Taxable income for corporate profits tax
3. Deductible expenses and tax allowances in deferring and minimising corporate profits tax liabilities
4. The comprehensive computation of corporate profits tax liability
5. Tax accounting for corporate profits tax

D Value added tax (VAT)

1. The scope of value added tax (VAT)
2. The computation of VAT liabilities
3. VAT payment and reporting.

E Unified social tax (UST)

1. The scope of unified social tax (UST)
2. Contributions made by employers for employed persons
3. Contributions made by individual entrepreneurs

F Corporate property tax

1. The scope of corporate property tax
2. The computation of corporate property tax liabilities
3. Payments and reporting requirements

G Tax planning, administration and control

1. The obligations of the taxpayer and/or their agents
2. The procedures relating to tax audit, appeals and disputes

3. The sanctions for tax violations, tax penalties and interest on late tax payments

APPROACH TO EXAMINING THE SYLLABUS

The paper will be mainly computational and will have five questions, all of which will be compulsory.

- Questions one and two will be for a total of 55 marks with one of the questions being for 30 marks and the other for 25 marks. One of these two questions will focus on individual income tax and the other question will focus on corporate profits tax.
- Question three will be for 15 marks, and will focus on value added tax (VAT) issues.
- Questions four and five will be on any area of the syllabus and will be for 15 marks each.

In addition to question 3, value added tax might also be included as part of any other question relating to a business but for no more than a further 10 marks.

Unified social tax will not be examined as a separate question, but may be examined in any question involving individual income tax or corporate profits tax.

Corporate property tax may be examined as part of the corporate profits tax question or separately as part of question four or five, but will account for no more than 8 marks in total on any one examination paper.

Any of the five questions might include the consideration of issues relating to the minimisation of tax liabilities or tax administration.

Study Guide

A THE RUSSIAN TAX SYSTEM

1. The overall function and purpose of taxation in a modern economy

- a) Describe the purpose (economic, social etc) of taxation in a modern economy.^[2]

2. Different types of taxes

- a) Explain the difference between direct and indirect taxes.^[2]
- b) Recognise the types of taxes levied on legal entities and physical persons in the Russian Federation.^[2]
- c) List the legal forms of business activities in Russia and identify the relevant taxes for each type of business activity.^[1]

3. The tax regulatory framework

- a) Explain the tax regulatory framework in the Russian Federation including the process for making changes and amendments to the Tax Code (Article 5 of Part I).^[2]
- b) Explain how the tax terms/periods set by the Tax Code (Article 6(1) of Part 1) are determined.^[2]
- c) Outline the application of regional and local tax laws, defining the relevant tax regulatory bodies.^[2]

Excluded topics

- Chapter 4, 5, 6 of Part I of the Tax Code
- Taxation of branches of foreign legal entities .

B INCOME TAX LIABILITIES

1. The scope of individual income tax

- a) Describe the scope of individual income tax.^[1]
- b) Define residents and non-residents for individual income tax purposes.^[1]

- c) Recognise the income that is exempt from individual income tax.^[1]

Excluded topics

- Source of income (Article 208 of the Tax Code)
- Impact of double tax treaties.

2. Income from employment

- a) Compute the taxable income from employment.^[2]
- b) Explain how income in kind and material benefits are valued and calculate relevant amounts.^[2]
- c) Explain the timing of income recognition on salaries accrued, but not paid in a calendar year.^[1]
- d) Compute the taxable amounts of business trip expenses (statutory limits will be provided).^[2]
- e) Compute the exempt and taxable amounts of medical expenses paid by an employer.^[2]

Excluded topics

- Income of non-residents.

3. Income earned by individual entrepreneurs

- a) Compute the business income of an individual entrepreneur.^[2]
- b) Recognise the expenditure that is deductible (including depreciation allowances).^[2]
- c) Compute the amount of professional deductions available (norms will be provided).^[2]
- d) Explain the treatment of losses incurred by an individual entrepreneur.^[1]

4. Dividend and other income

- a) Compute the exempt and taxable amounts of interest on bank deposits.^[2]

- b) Compute the imputed income arising from low-interest loans.^[2]
- c) Compute the exempt and taxable amounts of gifts prizes and awards, distinguishing between different types of gifts and prizes.^[2]
- d) Compute the taxable amounts of property insurance reimbursements.^[2]
- e) Compute the exempt and taxable amounts of life insurance payments.^[2]

Excluded topics

- *Pensions, Article 213 (1) of the Tax Code.*
- *Transactions involving futures and derivatives*

5. The comprehensive computation of taxable income and income tax liability

- a) Prepare a basic individual income tax computation.^[2]
- b) Apply the correct rates of tax to the different types of income.^[2]
- c) Compute the standard and child deductions.^[2]
- d) Explain and apply the principal social deductions, charity, education and medical (norms will be provided).^[2]
- e) Explain and apply the principal rules of deduction on the sale of residential property.^[2]
- f) Explain and apply the principal rules of deduction on the purchase of residential property, including for mortgage interest (housing incentive).^[2]
- g) Compute other property deductions, including deductions on transactions in securities.^[2]
- h) Compute the tax payable on dividend income, considering the provisions of item 2 of Article 214.^[2]

- i) Compute the tax payable on income from the sale of listed and unlisted securities based on the provisions of Article 214 (1).^[2]
- j) Compute the tax payable on income from investment funds (PIFs).^[2]
- k) Compute the tax on income from lotteries and advertising campaigns.^[2]

Excluded topics

- *All exemptions stated in items 4-8, 11-17, 21-26, 29-33 in Article 217 of the Tax Code*
- *Increased standard deductions except for double deductions for single parents*

6. The use of exemptions and deductions in minimising individual income tax liabilities

- a) Explain how the maximisation of available tax reductions and concessions can defer or minimise individual income tax liabilities.^[2]
- b) Identify, compute and apply the right concession/reduction in given circumstances.^[2]

C CORPORATE PROFITS TAX LIABILITIES

1. The scope of corporate profits tax

- a) Describe the scope of corporate profits tax and the types of taxpayer to which it applies.^[1]
- b) Explain the concept of separate sub-division as it applies to corporate profits.^[2]
- c) Explain the procedure for the allocation of profits between head-office and branches.^[1]

Excluded topics

- *Taxpayers: foreign legal entities, banks, insurers, brokerage firms (Article 290-312).*
- *The split of tax between the federal, regional and municipal budgets*
- *Special economic zones and regime and, production sharing agreements*

- *Taxation of branches of foreign legal entities*

2. Taxable income for corporate profits tax.

- a) Income recognition:
 - i) Define the two income recognition methods (cash and accruals).^[1]
 - ii) Explain and apply the effect of both methods on the timing of income recognition.^[2]
 - iii) Explain the concept and basic rules relating to transfer pricing.^[2]
- b) Taxation of special types of income .
 - i) Explain and apply the rules for the taxation of dividends and calculate profits tax on dividends paid and received by Russian legal entities.^[2]
 - ii) Explain the timing of income recognition for the principal on sales made via commissioners and calculate taxable income of both principal and commissioner.^[2]
 - iii) Calculate the taxable income on foreign currency transactions and on transactions denominated in “notional” units.^[2]
 - iv) Explain the timing of income recognition for factoring operations and calculate the taxable income from trade debt factoring for both parties.^[2]
 - v) Compute the taxable gain or loss on fixed asset disposal, including the valuation of depreciable property).^[2]
 - vi) Compute the taxable income arising from leasing transactions^[2]
 - vii) State the rules for the taxation of simple partnership income.^[1]

Excluded topics

Certain excluded income items (Article 251, it.1.6-1.8, 1.13-1.31, 1.33, it.2)

Recognition date for certain income (Article 271, it.4.9)

3. Deductible expenses and tax allowances in deferring and minimising corporate profit tax liabilities

- a) Expense recognition for tax purposes
 - i) Define the method of expense recognition for tax purposes.^[1]
 - ii) Explain the matching principle of expense recognition if the cash method is used for profits tax purposes.^[1]
 - iii) State the expense allocation rules between activities taxed at different rates.^[1]
 - iv) Explain the rules for recognition of direct and indirect expenses in profits tax accounting for manufacturing and trading companies.^[1]
- b) Deductible expenses for corporate profits tax
 - i) Explain and apply the rule for the initial 10% write-off available for new fixed assets.^[2]
 - ii) Explain and apply the rules for capital improvements to leased assets (Article 258.1, 259.2).^[2]
 - iii) Explain the treatment of expenses incurred on fixed asset acquisitions (including bank interest).^[2]
 - iv) Explain the differences in the rules for the recognition of repair and capital improvement expenses.^[2]
 - v) Define depreciable tangible and intangible assets ^[2]
 - vi) Explain and apply the allowable depreciation methods for tax purposes.^[2]
 - vii) Explain and apply the rules for the creation and usage of an allowance for bad debts (Article 266).^[2]
 - viii) Explain and apply the rules for bad debts write-offs.^[2]
 - ix) Apply the expense allocation rules between commissioner and principal.^[2]
 - x) Apply the relevant tax rules for losses on fixed assets disposals (Article 323).^[2]
 - xi) State the main types of partially deductible and non-deductible expenses.^[1]
 - xii) Define and apply the deductibility limits on bank loan interest including the sum differences on liabilities denominated in notional currency units and thin capitalisation rules (Article 269).^[2]

xiii) Calculate the adjustments for other types of partially deductible expenses (statutory limits will be provided).^[2]

xiv) Calculate the deductible expenses of both the lessor and the lessee under the different accounting treatments of leased assets.^[2]

c) Losses

i) Define allowable net operating losses and calculate the amount of losses qualifying for the carry forward tax concession.^[2]

ii) Explain the rules for calculating the maximum amount of losses allowable in each year and calculate the loss carry forward concession.^[2]

Excluded topics

- *Expenses on natural deposits (Article 261)*
- *Research and development expenses (Article 262)*
- *Expenses incurred on social infrastructure (Article 264, it.1.32)*
- *Other operational expenses (Article 264, it.1.32, 1.33, 1.38-1.39(2),1.42-1.44)*
- *Non-operational expenses (Article 265, 1.3,1.4,1.9,1.10,1.13,1.17-1.19,1.19(2))*
- *Certain non-deductible expenses (Article 270, it.10,11,13,15,18,20,24,25,26,30-32,35-39,45-48)*
- *Repair allowance (Article 260)*
- *Special tax reserves (Articles 267,267(1))*
- *Expenses incurred for acquisition rights for plots of land (Article 264.1)*

4. The comprehensive computation of corporate profits tax liability

- a) Prepare a computation of total taxable income based on the format of the profits tax return.^[2]
- b) Compute the corporate profits tax liability, applying the correct rates of tax ^[2]

c) Prepare calculations of the profits tax payable by branches.^[2]

Excluded topics

- *Dividend income received from foreign legal entities (Article 275,it.1)*
- *Trust agreements (Article 276)*
- *Charter capital formation (Article 277)*
- *Securities income (Articles 280-282)*
- *Income of banks, insurance companies, non-state pension funds, brokers and foreign legal entities (Articles 290-300)*
- *Income from term deals (Articles 301-305).*

5. Tax accounting for corporate profits tax

a) Define and apply basic tax accounting rules based on Articles 313-320, Article 322-323.^[2]

Excluded Topics:

Tax accounting special rules for profits tax purposes: for federal institutions (Article 321), repair expenses (Article 324), expenses on exploration of natural deposits (Article 325), for operations with securities (Article 326,327,329,333), for insurers and banks (Article 330,331), for trusts (Article 332)

6. The use of exemptions and reliefs in deferring and minimising corporate profits tax liabilities

- a) Explain how the maximisation of available tax reductions and concessions can defer or minimise corporate profits tax liabilities.^[2]
- b) Identify, compute and apply the right concession/reduction in given circumstances.^[2]

D VALUE ADDED TAX

1. The scope of value added tax (VAT)

a) Describe the scope of VAT.^[1]

- b) Identify the VAT rates applicable to different types of activities (no detailed knowledge of the application of the 10% rate is required).^[2]
- c) Explain the difference between zero rated and exempt items.^[1]

Excluded Topics:

- *VAT registration*
- *Waiver of VAT liability (Article 145)*
- *VAT related to imported goods, works, services (Articles 150-152, 160)*
- *Place of sale of goods, works, services (Articles 147,148)*

2. The computation of VAT liabilities

- a) Explain how the tax point is determined under the accruals method.^[2]
- b) Apply VAT exemptions to transactions which are not the object of taxation (article 146).^[2]
- c) Explain the consequences of a non-confirmed export and compute the related VAT^[2]
- d) Compute the VAT on trade debt factoring for both parties.^[2]
- e) Compute the VAT on a fixed asset disposal, including a disposal of assets accounted for in the VAT-inclusive amount.^[2]
- f) Compute the VAT on a self-supplied construction.^[2]
- g) Compute the VAT on sales made through commissioners for both the principal and the commissioner.^[2]
- h) Compute the VAT on sales performed in a foreign currency.^[2]
- i) Explain the timing of “sum” difference recognition for VAT purposes under the accruals method.^[2]
- j) Explain the general deduction criteria for input VAT.^[2]
- k) Explain the timing and methods of recovery of input VAT.^[2]
- l) State the major cases for the inclusion of input VAT in expenses.^[1]
- m) Explain the allocation principles for taxable and non-taxable activities .^[2]
- n) Compute the allocation of input VAT between taxable and non-taxable activities.^[2]
- o) State the situations where VAT should be included in the cost of asset.^[2]
- p) Explain and apply the specific rules for VAT recovery relating to capital construction and self-supplied construction.^[2]
- q) Compute the claww-back of recovered VAT on property where it is subsequently used for non-vatable transactions.^[2]
- r) Prepare a basic VAT computation showing separately all elements of input and output VAT.^[2]
- s) Explain and apply the specific rules for VAT recovery related to zero rate supplies (export).^[2]

Excluded topics

- *Output VAT:*
- *Zero rate supplies other than export of goods and related services*
- *Types of VAT exempted outputs (Article 149)*
- *Types of income subject to VAT at 10% rate*
- *Self assessed VAT on objects other than capital construction*
- *VAT on income from exchange of goods, works, services*
- *VAT withholdings on income paid to foreign legal entities (VAT reverse charge)*

- *VAT on transport services, on sale of an enterprise (Articles 157,158)*
- *VAT related to product sharing agreements (Article 178)*
- *Input VAT on payments to foreign legal entities.*

3. VAT payment and reporting

- Explain the usage of VAT invoices and journals.^[2]
- List the information that must be given on a VAT invoice.^[2]
- State the deadlines for the filing of returns and making of VAT payments.^[1]
- Explain the procedure for VAT refunds (including the refund of VAT on exports).^[2]
- State the set of documents for confirmation of export in a basic situation.^[1]

Excluded topics

- *Payments of customs VAT*

E. UNIFIED SOCIAL TAX

1. The scope of unified social tax (UST)

- Describe the scope of UST.^[2]
- Recognise and apply the major types of income exempt from UST (Article 236 point 3, Article 238 point 1 items 1 – 3 and 7 point 3).^[2]
- Explain the exemption mechanism for payments made from after-tax profits.^[2]

2. Contributions made by employers for employed persons

- Prepare a basic UST computation in respect of employees under labour agreements, under civil law agreements and under copyright agreements.^[2]
- Explain how employers report and pay UST in respect of employees.^[2]

3. Contributions made by individual entrepreneurs

- Prepare a basic UST computation for an individual entrepreneur.^[2]
- Explain how individual entrepreneurs report and pay UST. ^[2]

Excluded topics

- *Taxation of expatriates employed in Russia*
- *Taxation of Russian employees offshore*
- *Taxation of agricultural units, North residents and lawyers*
- *Tax exemptions other than specifically stated above*
- *Taxation of employees in technoparks (special innovative areas with low rates)*

F. CORPORATE PROPERTY TAX

1. The scope of corporate property

- Describe the scope of corporate property tax.^[2]
- Define the tax base in respect of both head office property and the property of separate subdivisions of Russian legal entities.^[2]
- State the maximum tax rate and tax period.^[2]

2. The computation of corporate property tax liabilities

- Describe the method of property valuation used to determine the corporate property tax base.^[1]
- Compute the corporate property tax base for both a head office and its separate subdivisions.^[1]

3. Payment and reporting requirements

- State the deadline for the filing annual tax return and advance tax calculations (Article 386).^[1]

- b) State the deadline for property tax payments and advance tax payments (Article 383).^[1]

Excluded topics

- Article 373 (taxpayers),
- Property taxable for both foreign legal entities with permanent establishments in Russia and foreign legal entities without activity via permanent establishments.
- Article 374 (it.2,3,4.2), Article 375 (it.2), Article 376 (it.2,5), Articles 377-378, 381,382(it.5),383(it.4-6), 384,385

G. TAX PLANNING, ADMINISTRATION AND CONTROL

1. The obligations of the taxpayer and/or their agents

- a) Taxpayers and tax agents
- i) Differentiate between taxpayers and tax agents.^[1]
 - ii) Explain the rights and obligations of both taxpayers and their agents.^[2]
- b) Individual income tax.^[2]
- i) Explain the filing requirements and payment deadlines for employees
 - ii) Explain the filing requirements and payment deadlines for employers (as tax agents)
 - iii) Explain the filing requirements and payment deadlines for individual entrepreneurs and self-employed persons.
 - iv) Explain the procedure for obtaining deductions and exemptions at source and upon the year end tax declaration.
- c) Corporate profits tax.^[2]
- i) Explain the filing requirements and payment deadlines for corporate profits tax
- d) Explain the refund procedure and deadlines for individual income tax and corporate profits tax.^[2]

Excluded topics

- Profits tax administration rules for: low income entities (Article 286, it.3), foreign legal entities (Article 286, it.4), withholding corporate tax (Article 287, it.2)

2. The procedures relating to tax audit, appeals and disputes

- a) State the limitations related to tax audits conducted by tax authorities.^[2]
- b) State the conditions under which the consequent tax audit can be carried out.^[2]
- c) Tax appeal order in respect of first tax decision received(Article 101.2).^[2]

Excluded topics

All topics other than specified above.

3. The sanctions for tax violations, penalties and interest on late tax payments

- a) Explain and calculate the administrative tax sanctions for non-compliance.^[2]
- b) Explain the difference between interest on late tax payments and tax penalties.^[2]
- c) State the amounts of penalties for tax underpayments or non-payments.^[1]
- d) Compute interest on late tax payments.^[2]
- e) State the amounts of penalties for non-filing or late filing of tax returns.^[2]
- f) Explain the procedure by which the tax authorities collect penalties from taxpayers.^[2]

READING LIST

ATC International

Contact number: ronnie.smith@atc-global.com

Website: www.atc-int.com

Additional reading:

Tax Code (Part I and II)