

General Guidelines to Fill the Self Assessment Income Tax Return:

*-Please read these directives and follow them precisely, so as to enable you to fill your income tax return correctly and accurately. Taxation Chamber will be happy receiving any inquiries and ready to extend any kind of possible help in connection with the same.

It has been worth mentioning, that any kind of data contained in this return will be confidentially treated by virtue of Article (5) – Income Tax Act – 1986(amended) which provides that, any employee of (TC), shall take into account the confidential nature of all documents and any information which related to any person income and deal with it as highly confidential.

1 – All companies registered under the Company Act - 1925, including (Large and Medium, Small companies, whether private or public, any joint venture of companies, any business names and foreign branches owned by them, shall submit their returns within a period not more than three and half months from the end of the fiscal year. The taxpayer may have the right to correct his return within a period of thirty days following the day of submission.

2 – Taxable profits include:

Firstly: Any profit or income resulting from any business of any period of time within which that business carried out.

Secondly: Any profit or income (other than dividends received from profits deemed taxable under the tax laws) resulting from investment and actually being realized or deemed to be realized.

Thirdly: Any income or profit resulting from estates rent which includes basic rent or other compensations received from the use of land or buildings or their ownership, whether those land or buildings situated in the Sudan or any other place, and includes - in case of rented one (furnished) the rent is fully due. These profits do not include capital gains profits which are treated under the Capital gains Act – year 1986.

*- All expenses(such as wages, salaries, rents, and the like) actually incurred to obtain that income are deductible as provided for in Article (18)- Income Tax Act, which provided that, these expenses shall not be of those which are not deductible under the Act, ex ;

a- personal expenses.

b - Capital expenses which incurred to obtain fixed assets that should be capitalized or depreciated in accordance with the law (historical value according to the straight line method).

c- any expenses other than those which the General Secretary considers that enough allowance has been made for equivalence, in accordance with Article (18) – Income Tax Act – 1986. Foundation expenses are deductible during ten years from the date of commencing the business after being fully evidenced.

4-TC has the right to request and take any books, documents that are relevant to the tax payer's activity, in order to make necessary checking for the purposes of determining revenues liable to tax.

5- Any person who keeps records and accounting booklets shall keep those records and booklets in either Arabic or English languages in accordance with Article (39/5).

6 - In case, the taxable income has been in foreign currency, the tax should be collected in foreign currency, if this is not possible, the General Secretary may collect the tax in equivalence of local currency according to the declared rate of the Central Bank of the Sudan on the date of collecting that tax.

7 - Partnerships and business names owned by a company which has exemptions according to investment licenses, shall:

a – submit the tax return.

b - pay the social development tax at 5% of the net profit.

8- TC has the right to precede a summery assessment on the base of available information in case that the taxpayer did not submit the self assessment tax return. Additional tax shall be imposed, and shall not exceed three times of the charged tax (Article 45 d).

9- In case of omission to submit the tax return, a penalty of 10 SDG per day, shall be imposed, likewise the General Secretary in his discretion may impose an appropriate tax but not exceed 5% of the chargeable tax (Article44- 1-Income Tax Act 1986).

*- If delaying submission exceeds six months after the closing date of submission, this deemed tax evasion, subject to the penalties according to the Income Tax Act(Article 44/3).

10- If it has been proved that submitted return according to Article 74 of Tax Income Act, is incorrect, or an intention of tax evasion found, additional tax shall be imposed not exceeding the double of the tax that revealed by checking and auditing (Article 44/3/d of the Income Tax Act- 1986), be deemed tax evasion and subject to the penalties provided for in Article (74)of the Income Tax Act – 1986, which provides for the penalties of fining and imprisonment for a period not exceeding 5 years or both of penalties, also convention of tax evasion is deemed as a crime of honesty and integrity 74/4.

11- Any person who abets or assists in submitting an incorrect return shall have committed the crime of tax evasion and shall be punished according to the punishments provided for in Article 74/2 of Income Tax Act 1986, which provided for fine and imprisonment for a period not more than two years or both of punishments.

Statement of financial position

As at -----

particular	Fiscal year as at -----	Previous fiscal year at.....
1- Assets:		
Cash and cash equivalent		
Sales receivable		
short term investments		
Long term investments		
Other debtors		
Fixed assets		
Total assets		
2- Liabilities:		
a- Deposits in local currency:		
current deposits		
saving deposits		
other banks accounts		
b- Deposits in foreign currency:		
current deposits		
other banks accounts		
other creditors		
unrestricted investment accounts		
Total liabilities		
3- Owner equities:		
the authorized capital		
paid up capital		
net profits of the year		
reserves		
total owner equities		
Total owner equities and liabilities		
Contra accounts		

Banks, Exchanges and Investment companies

Income statement for the year ended

Particulars	Note	SDG	SDG
Income:			
Income from deferred sales			
(+) Income from investments			
Total			
Minus:			
Revenue of owners of unrestricted investment accounts	1		
Share of bank from investments as a midrib and owner of capital			
Plus:			
Income from self investments	2		
Income from capital investments	3		
Revenues of banking services			
Other revenues	4		
Total bank's revenues			
Minus:			
General and administrative expenses: (analytic statement to be enclosed)	5		
Depreciations Provisions			
Amortization of preliminary expenses			
Bank of Sudan's fine or any other fine			
Other provisions			
Total expenses			
Income or loss before tax and zakat			

Tax return for banks, exchanges and investment companies

For the year ended

Particulars	Note	SDG	SDG
Income or loss before tax or zakat			
The following items should be added to income or loss before tax and zakat:			
Donations and Contributions	6		
Any tax on income	7		
Any reserves or provisions except that allowed by law	8		
Fines and compensations	9		
Bad debts not qualify for deduction	10		
Revenues subject to tax but not included in income statement			
Depreciations of fixed assets and amortization of intangible assets	11		
Any expenses from capital, loss, reduction or absorption of capital			
Cost of borrowing	12		
Any expenses or losses that can be covered by insurance or compensation contract			
Personal expenses	13		
Full time managers' fees not qualified for tax deduction			
Part- time managers' fees not qualified for tax deduction			
Carried forward losses which are not qualified for tax deduction	14		
Total items added to net accounting profit or total deduction items from the net accounting loss			
Gross taxable profit/loss			
Items deducted from total tax profit or added to total tax loss:			
Amount of depreciations calculated according to tax rates and to the historical cost and straight line method			
Cost of borrowing not qualify for tax deduction	12		
Bad debts qualify for tax deduction and were deducted from the provision	15		
Provisions had already been taxed	16		
Amount used from the provision to meet the cost allowed for deduction	17		
Allowable contributions and donations			
Carried forward losses qualify for deduction			
Zakat paid according to a certificate from Zakat chamber			
Income from government sukuk and bond certificates			
Received dividends from income which had already been subjected to tax according to income tax act			
Total items deducted from total tax profit or added to total tax loss			
Net adjusted tax profit or loss			

a- Payable tax :

Type of business	Note	Net tax profit (loss)	Tax rate	The payable tax
Banks, insurance and investment companies activities			30%	
Real estate companies (income of rental estates)			15%	
Profit/ loss of selling fixed assets	18		15%	
Profit of selling securities (shares, sukuk and bonds) issued by public companies (capital gains).			2%	
Profit of selling (shares, sukuk and bonds) issued by private and public sector companies and their institutions (capital gains).			2%	
Selling shares of the bank or part of them (capital gains)			2%	
Total payable tax				
Minus the prepaid tax				
Tax due on submitting tax return				

b- Amount s paid to bodies outside Sudan:

Item	Note	Amount	Tax rate	The due tax
Royalties	19		15%	
Services	20		15%	
Board of directors fees interests of borrowing or any other abroad transformations	21		15%	

Data Concerning Personal Income Tax

1. Please fill the following data according to income statement :

Particulars	amount
Salaries, wages	
Allowances and benefits	
Remunerations	
Cash Allowances	
Allowances in - kind	
The contribution of the company in social insurance	

- Mention the Allowances in - kind the company provides to the employees

2. Please fill the following schedule:

Month	PIT paid	No. and date of the receipt	Month	PIT paid	No. and data of the receipt
January			July		
February			August		
March			September		

April			October		
May			November		
June			December		

Particulars	Yes	No
3. Does the company deduct PIT and submit it within the required time?		
4. Does the company submit the pay sheets within the required time?		
5. Does the company calculate personal income tax, and the like , according to the deductions schedule and circulars in force?		
6. Does the company pay social insurance to all employees who are subject to the social insurance act?		
7. Are there Sudanese employees in the company, working outside Sudan, and are their salaries included in the company income statement?		
8. Does the company have Sudanese employees, delegated from/to other bodies?		
9. a. Does the company have salaries of foreigners included in its account? b. in case of answer yes, does the tax deduct from their salaries? c. in case of not deducting the tax from their salaries, does the company bear the tax on their behave?		
10. Does the company have foreigners exempted from tax? What is the body granted the exemption?		
11. a. Does the company have foreigners not liable to personal income tax, according to the provision of double taxation avoidance agreement? b. in case the answer (yes),how many are they during the year ,their nationalities (a list should be attached)		
12. a. Does the company have nonresident foreigners employees? b. in case the answer (yes),does the tax be deducted from their salaries and submitted according to the law?		

Complementary Data to the Return

1. Amount of rent paid

No	Name of the landlord and his address	No. of building or the leased land	Amount of annual rent SDG	Amount of maintenance expenses borne by the lessee SDG
1				
2				
3				
4				
5				
total				

2. Amount of rent received by the company

No	Name of the lessee and his address	No. of building or the leased land	Amount of annual rent SDG	Amount of maintenance expenses borne by the lessee SDG
1				
2				
3				
4				
5				
total				

3. The shares in affiliates and other companies

No	The company	Percentage of the shares	Amount of shares	Annual dividends
1				
2				
3				
4				
5				
total				

Certification

We, the under signed certify that the foregoing data are true, correct and complete all the sources of the company's income liable to tax have been included. Also we admit our complete knowledge of fines and penalties of submitting untrue statement on the return according to the law.

I enclosed the amount of tax due:

in cash.....

Cheque no.....drawn from the bank.....data,,,,,,,,,,,,,

Chairman of the Board of Directors

Chairman of the Board of Directors signature

Name of General Manager of the company

Name of the Financial Manager

signature of the General Manager of the company
Manager

Name of the Financial

Issued at day..... month.....year.....

Company seal

Explanation of terms

1) Revenue of owners of unrestricted investment accounts

a/ Unrestricted investment accounts : are the accounts whose owners grant the bank the right to invest on the base of mudaraba contracts, in a way which the bank considers suitable, the bank has the right to invest in a certain project or for a certain purpose or to mix them with its own money.

b/ Restricted investment accounts are the accounts whose owners grant the bank the right to invest them on bases of mudaraba contract or agency contracts ,and restrict the bank by certain conditions , such as investing them in a certain project or for certain purpose or not to mix them with the banks money.

2)Income from self investments

The bank invests available self generated fund by using several means such as mudaraba , (whether is commercial or agricultural) , salam, istisnaa , rent , credit sale , and murabaha contracts, or by instituting firms to carry out different types of activities , or by sharing in the existing

3) Income from capital investments

Is the income resulted from selling fixed assets which the bank acquired for self usage.

4)Other revenues in income statement:

Include any revenues not related to the main activity of the company. Revenues in income statement:

Include all revenues resulted from carrying out company's businesses such as commission and services fees other than capital revenues.

5) General and administrative expenses:

Include all the expenses listed in the income statement including financing expenses and general and administrative expenses such as (wages and salaries ,electricity , water , transport) other expenses

Listed in income statement such as provision, reserves and depreciations (other than depreciations in manufacturing account).

6) Donations and contributions:

Donations and contributions should be added to the tax base as disallowable expenses except the contributions paid to governmental bodies according to country call of contribution provided that the purpose is to meet some expenditure aspects the government would cover from country's treasury to any government body.

In addition to sash contributions to the public interest according to the conditions provided for in the law (article 20%)

a / The total amount of contribution should not exceed 10%of net profit.

b/ Submitting certified audited accounts.

In-kind contributions are deducted according to the following conditions.

*Total deducted amount should not exceed 50% of total project cost.

* The deducted should be made during two successive year 25% for each year.

* The deducted begins after deliverance of the project donated to the state

- * The cost of project should be evaluated in the year of deliverance of the project.
- * The loss resulted from in kind contributions should not be carried forward after the two year of allowable deduction.
- * The agreement of the minister is pre-requisite.
- * Accurate audited accounts should be submitted.

7) Any income tax (article 18/2e)

Any income tax does not deem to be allowable expenses except the personal income paid by the company on behalf of employees (Tax on Tax)

8) Provisions and Reserves:

Reservations and provisions are not allowable except the amounts actually paid (article 18/2h)

9) Fines and Financial compensations

The amount of fines and financial compensations born by the company as a result of contraventions should be added to the tax base.

10) Bad debts which do not qualify for tax deduction

Amount of bad debts shall be added to the tax base, if it doesn't fulfil the following deduction conditions:

- a/ Legal procedures shall be taken to collect debts, provided that a decision is issued from the competent court.
- b / Submitting the required documents to confirm the debt value (according to the regulations).

11) Deprecations

a/ The value of fixed assets owned by the company and shown in the income statement and calculated according to accounting principles should be added to the tax base.

The value of depreciation of the fixed assets owned by the company and calculated according to the historical cost and to the approved rates (according to the attached schedule) and in straight line method, shall be deducted from the tax base.

b/ Fixed assets include all assets owned by the company (land, buildings ,machines, equipment and furniture) whether they are tangible or intangible.

12) Cost of financing which does not qualify for tax deduction

Cost of borrowing if it is found, deemed to be expenses according to the following conditions:

- a/ The loan should be used to generate the taxable income.
 - b/ It should be paid to a person liable to tax according to the provision of Income Tax Act for the year 1986. As an income of a person to whom it was paid.
- Or,
- C/ It is paid to a body outside Sudan for a loan used to generate taxable income

13) Personal expenses

Any expenses spent for living, dwelling or for any other private or household purpose such as (house rent, electricity, telephone and fuel) should be added to the tax base.

14) Carried forward loss which does not qualify for tax deduction(not allowable)

According to the provisions of Article 21 of Income Tax Act for the year 1986 the following are provided to deduct the carried forward loss.

- a/ Any part of loss is not allowed to be carried forward for a period exceeding five years after the end of basic period on which losses have taken place.
- b/ By no means the total of the deducted value from loss shall not exceed the value of net business profit.
- c/ The company should at least keep the following books and records:
 - i/ Journal.
 - ii/ Ledger.
 - lii/Inventory book authenticated by Taxation Chamber before use.
- d/ The company should have submitted audited accounts for each basic period certified by a legal auditor or an authorized accountant.

15) Dead debts qualify for tax deduction and they are actually from the provisions
 These debts shall not appear in the income statement, if the provision appears, as these debts have been deducted from the provision account in the debit side. These debts are considered as allowable cost whenever the following conditions are met:

- a/ Some legal procedures should be taken to collect debts, provided that a decision is issued from the competent court.
- b/ Submitting the required documents to confirm the debt value (according to the regulations).

16) Provisions already liable to tax in a previous year
 Provisions which were liable to tax in the previous year and were not being used and included in the income statement as revenue shall be deducted from tax base.

17) amount used from the provision to meet the cost allowed for deduction
 This amount is deducted from the tax base provided that it was taxed when instituted

18) Deductions and additions of the budget
 Are the profits and losses resulted from selling of fixed assets, which are depreciated according to the rates in force and are calculated as follows:
 The historical cost –total depreciation =net book value. And it is compared to selling price and the result represents profit or loss of the budget.
 The fixed assets include:

- 1- Vehicles of all kinds.
- 2- Agricultural land and their enhancement.
- 3- Ships and aircrafts.
- 4- Equipments and machines.

19) Royalties
 Fees paid for usage of brand name or trademark or privileges or any other rights and are deemed to be deducted provided that the tax is paid by the beneficiary of the privileges or any other rights.

20) Services fees
 They are amounts paid to another person for providing technical advisory services , and are deemed to be deducted provided that the tax is paid by the beneficiary of the privileges or any other rights.

21)Board of Directors fees agreement:
 Amount paid according to certain agreement concluded with another person for carrying out business task , and are deemed to be expenses to be deducted provided that the is paid by the beneficiary of the privileges or any other rights.

Depreciations rates

Assets	Rate
1)Buildings and Constructions:	
a) Residential and administration buildings	2.5%
(b) Factories buildings	5%
(c) Metal buildings	5%
(d) Wood buildings	10%
(e) Any other buildings and constructions (include roads , bridges , reservoirs , subways, runways and railway ay lines)	5%
2) Machines and heavy equipments:	
(a) Different factory machines (food stuffs –weaving – and all other industries)	10%
(b) Lifting equipments.	15%
(c)Agricultural equipments (include pumps-harvesters-pesticides spraying equipments-irrigation equipments)	15%
(d) Earthmoving and road –paving equipments-mines and quarries equipments.	20%
(e) Any other machines or heavy instruments	10%
3)Furniture , fabrics and utensils	
(a) Furniture and fabrics of houses and offices	10%
(b)) Furniture of hotels , restaurants, cafes , hospitals, cinemas, theatres and educational institutions.	20%
(c)portable furniture for occasions , celebration and camps	25%
(d) Utensils and equipments concerning restaurants , hotels ,hospitals and their fabrics	25% or Value of loss according to stocktaking
(e) Any other similar furniture	15%
4) work equipment for offices and communication means:	
(a) photocopiers	25%
(b) Printers	25%
(c) Calculators and other small tools	25%
(d) Communication tools (fax –cabin-telex - telephones)	20%
(e) Telephones network and wires	
i/ Wireless	3%
ii/ Cables	5%
5) Means of transport:	
(a) inter- city means of transport , include:	
i/ Buses , minibuses, taxis , motorcycles , light trucks	3%
ii/ Private means of transport	5%

(b) Inter- cities transport , include: i/ Buses –minibuses – different passenger means of transport – lorries – trucks –trailers for goods and other different materials ii/ Railway trains and carriages	20% 10%
--	------------

(c) Steamers , tractors and launches	15%
(d) Sea means of transport i/ Passenger steamers. ii/ Cargo steamers	10% 7%
(e) Aero planes	20%
Other means of transport include pipes lines	10%
6) Electrical equipments:	
(a) Generators	10%
(b) Transformers	10%
(c) Refrigerators	10%
(d) Air conditioning and cooling apparatuses and fans	15%
(e)Electrical lifts	15%
(f) Grids and electrical wires i/ Aerial ii/ Cables	3% 5%
(g) Cinematographic projecting equipments and their accessories	15%
(h) Neon and signs boards	25%
(i) Any other similar electrical equipments	10%
7) Equipments and apparatuses rapidly renewed and replaced	
(a) Radiography equipments and apparatuses –diagnosis –surgery and operation sections equipments and other rapidly renewed medical equipments	20%
(b) Computer and its accessories and programs	30%
8) Light machines and work equipments:	
(a) Workshops equipments (include :welding , cutting and forming machines , compressors and other craftsmen equipment	15%
(b) Scales	10%
(c) Concrete mixers , mills and the like	15%
(d) Building equipments such as scaffolding , shuttering and formwork and the like	30% or the loss after taking-stock
(e) Light tools used by workshops owners and craftsmen, which are liable to be damaged and lost	30% or the loss after taking-stock
9) Engineering apparatuses and other scientific research means:	
(a) Measurement and standardization apparatuses	25%
(b) Laboratory and research apparatuses	25%
(c) Audio – visual aids	25%

(d) Display , survey and photography apparatuses	25%
(e) Any other scientific research means and apparatuses	25%
10) Intangible assets (paid for when possessed)	
(a) Good will	20%
(b) Trade names and trade marks	20%
(c) Copy rights	20%
(d) Any other similar assets (include : deferred revenue expenses such as advertisements)	20%

*** English and Arabic Languages version being equally authentic. In case of any divergence of interpretation, the Arabic text shall prevail.**