



Inland Revenue Department

Instructions for Completion of Amended Corporate Income Tax Return

1. Prior to completing the return, it is important to determine the impacted year as follows

Year End	Applicable Tax Rate	Impacted Income Year
January 2021	Exempt / 1%	If financial year ended in months January - May 2021, the 2022 financial year is affected by multiple rates
February 2021		
March 2021		
April 2021		
May 2021		
June 2021	Exempt / 1%	File as normal for 2021. Revised rates used for 2022 financial year
July 2021	30.00%	If financial year ended in months July - December 2021, the 2021 financial year is affected by multiple rates
August 2021		
September 2021		
October 2021		
November 2021		
December 2021		

2. Accounting for Lower Corporate Income Tax Rate (1%)

In the impacted year, the chargeable income a schedule (Labelled X) must be prepared. This schedule must outline the Profit / (Loss) subject to tax be broken / or apportioned to compute the tax payable at the respective rates. Upon completion of the breakdown / or apportionment, the lines below should be completed as follows:

- a. *101 Chargeable Income* - Portion of chargeable income subject to income tax at 30% as per the Income Tax Act Cap 15.02
- b. *102 Loss from Prior Year(s)* - Portion of allowable tax loss from previous income years to be deducted from chargeable income subject to tax at 30%
- c. *103 Chargeable Income* – Subject to 1% - Portion of chargeable income which will be subject to income tax at the reduced rate of 1% as per the International Business Companies Act Cap 12.14
- d. *104 Loss from Prior Years* – Portion of allowable tax loss from previous income years to be deducted from chargeable income subject to tax at 1%
- e. *105 Foreign Source Income* – Gross income that deemed to have accrued from outside of St. Lucia as per the Section 10A of the Income Tax Act Cap 15.02
- f. *111 Adjusted Chargeable Income* – Subtract line 102 from line 101 to determine the chargeable income at rate of 30%
- g. *112 Tax Rate Applied* – Compute 30% of Line 111 to determine the tax payable at 30%
- h. *113 Tax Payable at 1%* - Compute 1% of Line 103 less line 105 to determine the amount of tax payable at 1%
- i. *150 Total Tax Payable* – This is the total tax due for the income year. Compute tax payable at 30% (30% of Line 111) plus tax payable at 1% (1% of [Line 104 less Line 105]).

3. Accounting for Exempt Income

In the impacted year, prepare schedule (labelled X) outlining the Exempt Income and expenses relating to Exempt Income i.e. the expenses which are not allowable as per Section 43(1)(a) of the Income Tax Act Cap 15.02. This information should be used to complete Schedule A Reconciliation of Chargeable Income with Profit and Loss. This information should be inserted in the schedule as follows

- a. *Point 2 Expenses not allowable* – Expenses relating to the exempt income
- b. *Point 3 Allowable Deductions and Exempt Income included in Accounts* – Exempt income as calculated in Schedule X.

4. All other lines should be completed as usual.