

CERTIFIED PUBLIC ACCOUNTANT ADVANCED LEVEL 2 EXAMINATIONS A2.3 ADVANCED TAXATION

DATE: MONDAY, 28 NOVEMBER 2022

MARKING GUIDE AND MODEL ANSWERS

A2.3 Page 1 of 17

RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022 **SECTION ONE**NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPAKNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

RNOV2022ICPAI**QUESTION ONE** 2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

rnov20221cpat**Marking|Guide**0v20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov

Que	Details NOV2022ICPARNOV202ICPARNOV202I	\mathbf{M}_{R}	Total
tio ₂ (22ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I	carr	Mark
10 V 20	221CPARNO V20221CPARNO V20221CP	C ks R CPAR	S V 2 0 2
a) V20	Operating profit	CPAR	NOV202
OV2	Add: Non-deductible expenses ARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNO	CPAR	NOV202
OV20	Add non-allowable deductions CPARNOV2022ICPARNOV2022ICPARNOV2022I	CPAR	1VOV202
OV20	Overstated cost of sales	GDAT	1NO V 202
OV20	Salary advance-Balance sheet item NOV20221CPARNOV20221CPARNOV20221	0.5	NOV202
OV2	Prepaid Rent 221CPARNOV2022ICPARNOV202I	CPA R	NOV202
OV2	Bad debts without sup evidences		JNOV 202
OV20	Depreciation 221CPARNOV20221CP	CPAR	NOV202
OV20	Income tax prepayments V2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I	CPA R	JNOV202
OV2	Withholding tax CPARNOV2022ICPARNOV202I	CPAR	NOV202
OV20	Transfer to reserves PNOV20221CPARNOV20221	CPAR	110V202
O V Z (Legal feesv2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I	CPA 1	NOV202
OV2	Repair and maintenance V2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNO	CPAR	NOV202
OV2	Donation	CPAR	JNOV202
OV20	Communication CPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV2	CPAR CDAD	NOV202
OV20	Add other income: RNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV20	CPAR	JVOV 202
)V2(Dividends received from a local company	CPAR	JNO V 202
OV2(Interests' income PARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNO	CPAT	NOV202
DV20 DV20	Dividends received from a foreign company ICPARNOV2022ICPARNOV2022I	CPAR	JNO V 202 JOV 202
OV2(Total income Total income	CPAR	NOV202
OV2	Z_ICFAKNO V ZUZZICFAKNO V ZUZZICFAKNO V ZUZZICFAKNO V ZUZZICFAKNO V ZUZZICFAKNO V	CPAR	NOV202
OV20	Less RNOV20221CPAR	CPAR	NOV202
OV20 OV20	calculated Capital allowance, wear and tear and total allowance on V2022	CPAR	JNO V 202 JNO V 202
OV2	working one 0221CPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV	CPA8	NOV202
OV2	Computation of tax to be paid	CPAR	JNOV202
OV20	0 - 360,0002022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I	0.5	3.103/202
OV20	360,001 - 1,200,000 RNOV2022ICPARNOV202ICPARNOV202I	0.5	
OV2	Above 1,200,000 Above 1,200,000	0.5	
OV2			
OV20	Less RNO V2022ICPARNO V2022ICPA	CPAR CPAR	
OV20	Quarterly prepayments V2022ICPARNOV202ICPARNOV202IC	CPAR	i
OV2	Less double taxation relief:	CDAD	TOTTOO
OV2	Withholding tax on imports	1	NOV202
OV20	Withholding tax on interest 221CPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPA	CPA2	
OV20	Withholding tax on foreign dividends	CPA2 CPAR	
OV20	Total RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I	CPAR	NOV26
9) V2(2Withholding tax on: NOV2022ICPARNOV202ICPARNOV202I	CPAR	NOV202

RNOV2022ICPAF**A2.3**′2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICI**page2′6f-17**CPARNOV2022IC RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

RNOV2022ICPAR	Que	2 Details NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I CM RIV Total 2ICPARNOV2022IC
RNOV2022ICPAR	stio 20	221CPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I <mark>car</mark> ri v mark 2i cparnov2022IC
RNOV2022ICPAR	NOV20 n	221CPARNOV20221CPARNOV20221CPARNOV20221CPARNOV20221CPARNOV20221CPARNOV20221CPARNOV20221C
RNOV2022ICPAR	NOV20	Dividend income parnov20221cpa
RNOV2022ICPAR RNOV2022ICPAR	NOV20	Capital gain computation 2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARN
RNOV2022ICPAR	NOV20	Interest income - government bonds NOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPAR
RNOV2022ICPAR	NOV20	Interest income on long term-Fixed deposits
RNOV2022ICPAR RNOV2022ICPAR	NOV20	2 Total rnov20221cParnov20221cParnov20221cParnov20221cParnov20221cParnov20221cParnov202 8 1cParnov20221c
RNOV2022ICPAR	NOV20	2Total Marks 221CPARNOV20221CPARNOV20221CPARNOV20221CPARNOV20221 CPARNOV20401 CPARNOV20221C
RNOV2022ICPAR	NOV20	ZZICPARNOVZ0ZZICPARNOVZ0ZZICPARNOVZ0ZZICPARNOVZ0ZZICPARNOVZ0ZZICPARNOVZ0ZZICPARNOVZ0ZZICPARNOVZ0ZZICPARNOVZ0ZZIC

RNOV2022ICPAI<mark>Model Answer</mark> vov2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

RNOV20221CPAI**a) Computation of taxable income and tax liability of Nzagerakure Bonheur for the year** PARNOV20221C rnov20221cpa.**ended 31 December 2020** arnov20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov20221c

Items	Workings	FRW "000"	FRW "000"
Operating profit V2022ICPARN	OV2022ICPARNOV2022ICPARN	OV2022ICPARNO	202210755,842,198
Add non-allowable	OV2022ICPARNOV2022ICPARN	OV2022ICPARNO	V2022ICPARNOV2022
deductions ARNO V2022ICPARN	10/110*100.710.000 PARN	V-11-120-000	/ 2022ICPARNO
Overstated cost of sales	10/110*488,740,000	44,430,909	V2022ICPARNOV2022
Salary advance OV2022ICPARN	Salary advance is a ICPARN	OV2022ICPARNO	V2022ICPARNOV2022
NOV2022ICPARNOV2022ICPARN	balance sheet entry does	OV2022ICPARNO	V2022ICPARNOV2022
NO V 2022I CPARNO V 2022I CPARN NO V 2022I CPARNO V 2022I CPARN	not have an impact of the Profit and loss account.	OV2022ICPARNO OV2022ICPARNO	V 2022ICPARNO V 2022 V 2022ICPARNO V 2022
Prepaid Rent	60%*220,000	132,000	/2022ICPARNOV2022
Bad debts without	DV2022 CPARNOV2022 CPARN	45,000	V2022ICPARNOV2022
supporting evidences 21CPARN	OV2022ICPARNOV2022ICPARN	OV2022ICI33RMO	V 2022ICPARNO V 2022 V 2022ICPARNO V 2022
Depreciation RNO V2022ICPARN	OV2022ICPARNOV2022ICPARN	0V2022 136,000	/2022ICPARNOV2022
Income tax	OV2022ICPARNOV2022ICPARN	198,000	V2022ICPARNOV2022
Withholding tax on imports	OV2022ICPARNOV2022ICPARN	0V2022I(95,000)	V 2022ICPARNO V 2022 V 2022ICPARNO V 2022
Transfer to reserves 1221CPARN	OV2022ICPARNOV2022ICPARN	0V2022 679,500	/2022ICPARNOV2022
Legal fees Legal fees	OV2022ICPARNOV2022ICPARN	6,000	V2022ICPARNOV2022
Repair and maintenance PARN	OV 2022ICPARNOV 2022ICPARN OV 2022ICPARNOV 2022ICPARN	53,000	/ 2022ICPARNO / 2022 /2022ICPARNO / 2022
DonationCPARNOV2022ICPARN	8,328,964 - (1%2*221CPARN	0V20 2,776,32 1	/2022ICPARNOV2022
NOV2022ICPARNOV2022ICPARN	9555,264,262) V2022ICPARN	OV2022ICPARNO	V2022ICPARNOV2022
Communication	20% *12,000	2,400	V 2022ICPARNO V 2022
Total non-allowable expense	DV2022ICPARNOV2022ICPARN	OV2022ICPARNO	48,554,130
NOV2022ICPARNOV2022ICPARN	OV2022ICPARNOV2022ICPARN	OV2022ICPARNO	/202210 104,396,328
Add other income: 221CPARN	OV2022ICPARNOV2022ICPARN	OV2022ICPARNO	V2022ICPARNOV2022
Dividends received from a local company	Not taxable NOV20221CPARN	OV2022ICPARNO OV2022ICPARNO OV2022ICPARNO	V 2022ICPARNO V 2022 V 2022ICPARNO V 2022 V 2022ICPARNO V 2022
Interests' income V2022ICPARN	36,200* 100/852022ICPARN	0V2022I(42,588)	V2022ICPARNOV2022 V2022ICPARNOV2022
Dividends received from a foreign company	63,000*100/80 0V20221CPARN 0V20221CPARN	DV2022IC78,750 DV2022ICPARNO	/2022ICPARNOV2022 /2022ICPARNOV2022
io v 2022ioparno v 2022ioparn Jov2022ioparno v2022ioparn	D V 2022ICPARNO V 2022ICPARN DV2022ICDA PNOV2022ICDA PN	OV2022ICPARNO	121,338

Page 3 of 17 PARNOV2022IC RNOV2022ICPAP**A2.3**2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

Ntems ² 2ICPARNOV2022ICPARN	Workings NOV2022ICPARN	FRW ''000'	FRW1''000'' V2022
Total income	OV 2022ICPARNO V 2022ICPARNO OV 2022ICDA PNOV 2022ICDA PNO	OV2022ICPARNO	104,517,666
Less ₂ 022ICPARNOV2022ICPARNO	OV2022ICPARNOV2022ICPARN	DV2022ICPARNOV	/2022ICPARNOV2022I
Capital allowance 2022 ICPARN	DV2022ICPAR W D Y 2022ICPARN	OV2022ICPARNO	/2022ICPAR (54,024) I
NOV2022ICPARNOV2022ICPARNO	OV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPA	DV2022ICPARNOV	/2022ICPARNOV2022I
Adjusted taxable income	OV2022ICPARNOV2022ICPARNO	DV2022ICPARNOV	104,463,642
Computation of tax to be RNO paid 0221CPARNO	DV2022ICPARNOV202ICPARNOV202ICP	OV2022ICPARNOV	/2022ICPARNOV2022I /2022ICPARNOV2022I
02\ 360,000 arnov20221cparn	360,000*0% OV2022ICPARN	OV2022ICPARNO	/2022ICPARNOV2022I
360,001 - 1,200,000	(1,200,000-360,000) *20%	DV2022ICPA 168 DV2022ICPARNOV	/ 2022ICPARNO V 2022I / 2022ICPARNO V 2022I / 2022ICPARNO V 2022I
VOV2022ICPARNOV2022ICPARNO	(104,463,642-1,200) * ARN	31,338,733	/2022ICPARNOV2022I
NOV2022ICPARNOV2022ICPARNO	30%21CPARNOV20221CPARN	OV2022ICPARNO	/2022ICPARNOV2022I
Tax for the year 2020 CPARN	DV2022ICPARNOV2022ICPARN	OV2022ICPARNOV	/2022ICP 31,338,901 I
Less	OV 2022ICPARNO V 2022ICPARNO NV 2022ICPARNO V 2022ICPARNO	DV2022ICPARNO	/ 2022ICPARNO V 2022I / 2022ICPARNO V 2022I
Quarterly prepayments CPARN	DV2022ICPARNOV2022ICPARN	DV2022ICPARNOV	/2022ICPA (198,000) ₁
Fax liability RNOV2022ICPARN	OV2022ICPARNOV2022ICPARN	OV2022ICPARNO	/2022ICP 31,140,901 I
Less double taxation relief:	OV2022ICPARNOV2022ICPARNO	DV2022ICPARNOV	/2022ICPARNOV2022I
Withholding tax on imports	DV2022ICPARNOV2022ICPARNO	95,000	/2022ICPARNOV2022I
Withholding tax on interest N	42,588* 15%) V2022ICPARN	DV2022ICI 6,388)	/2022ICPARNOV2022I
Withholding tax on foreign dividends	78,750*20% OV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPAR	0V2022IC15,750 0V2022ICPARNO	/2022ICPARNOV2022I /2022ICPARNOV2022I
NOV2022ICPARNOV2022ICPARNO	OV2022ICPARNOV2022ICPARNO	DV2022ICPARNO	/2022ICPA (113,201)
Tax to be paid OV2022ICPARN	OV2022ICPARNOV2022ICPARNO	DV2022ICPARNOV	/2022ICP 31,027,700 I

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RNOV2022ICPARWOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV2

RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI	Assets. 21CPARNO V2022ICPARNO Assets. 21CPARNO V2022ICPARNO RNO V2022ICPARNO V2022ICPARNO RNO V2022ICPARNO V2022ICPARNO RNO V2022ICPARNO V2022ICPARNO	Land PA V2022ICPA V2022ICPA V2022ICPA V2022ICPA	Buildin ₂ Igvov2022 RNOV2022 RNOV2022	Compute r & NOV20 accessori es RNOV20	Furnitu re and fittings	Moto PA	Capital 21 allowan 21 ce OV20221
RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI	CNOV 2022I CPARNOV 2022I CPARNO RNOV 2022I CPARNOV 2022I CPARNO RNOV 2022I CPARNOV 2022I CPARNO RNOV 2022I CPARNOV 2022I CPARNO	FRW "000"	FRW "000"	FRW ''000'' V20	FRW "000"	FRW ''000	FRW "000"
RNOV2022ICPAI RNOV2022ICPAI	Cost of acquisition as of PARNO December 2019	V 150,00A V 2022ICOA	R1220,502 RNOV2 (02	ICPA 55,800) ICPARNO V20	221C 10,700 V 221CPARNOV	225,96/ 2022I 0 /	RNOV2022I
RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI	Accelerated depreciation rate 0 2019 0221CPARNO V20221CPARNO	V2022ICPA V2022ICPA	RNO 50% 2 RNOV2022	ICPARN50%0 ICPARNOV20	221CPAI <mark>0</mark> % v 221CPARNOV	2022 0% / 2022ICP/	RNOV2022I RNOV2022I
RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI	Accelerated depreciation claimed in 2019	V2022ICPA V2022ICPA V2022ICPA	R110,25 ² RNOV2 0 ²	ICPA 27,900) ICPARNOV20	22ICPARNOV 22ICPARNOV 22ICPARNOV	/2022I ① / /2022ICP/ /2022ICP/	R138,1501 RNOV20221
RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI	Depreciation basis for 2019 NO NOV2022ICPARNOV2022ICPA	V2022ICPA V2022ICPA	R1 220,50 2 RNOV2(0 2	ICPA 27,900) ICPARNOV20	221 c10,700 v 221cparnov	225,96 20221 0	RNOV2022I RNOV2022I
RNOV2022ICPAI	Depreciation rate	V2022ICPA	RNOV5%2	CPAR 50%	25%	25%	RNOV2022I
RNOV2022ICPAI	Depreciation charged in 2019	V2022ICPA	R 11,025	ICPA 13,950	221012,675	6,490	RN34,140

RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC RNOV2022ICPA<mark>RA2.3</mark> 2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICI**Page 4 of 17** PARNOV2022IC RNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARN

RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI	CASSets: 21CPARNOV20221CPARNO RNOV20221CPARNOV20221CPARNO RNOV20221CPARNOV20221CPARNO RNOV20221CPARNOV20221CPARNO	VLand PA V2022ICPA V2022ICPA V2022ICPA	Buildin ² RNOV2022 RNOV2022 RNOV2022	Compute r & accessori es	Furnitu re and fittings	Moto r vehicl e	Capital allowan ce
RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI	RNOV2022ICPARNOV2022ICPARNO RNOV2022ICPARNOV2022ICPARNO RNOV2022ICPARNOV2022ICPARNO	FRW PA V"000"PA V2022ICPA	FRW 022 R''000''' 22 RNOV2022	FRW10V20 1C'000''0V20 1CPARNOV20	FRWRNOV 21'000".NOV 22ICPARNOV	FRWPA 2'000 PA 2022ICPA	FRW20221 R'000''0221 RNOV20221
RNOV2022ICPAI RNOV2022ICPAI	Total capital allowance 2019	V2022ICPA V2022ICPA	121,27 5	41,850 CPARNOVA	2,675	6,490	172,290
RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI	WDV 01/01/2020 2022ICPARNO NOV2022ICPARNOV2022ICPARNO	7 150,00 7202210 0	R1 99,225 2 RNOV2022	ICPA 13,950) ICPARNOV20	221CF8,025 v 221CPARNOV	2(19,47) 20221(0)	RNOV20221 RNOV20221
RNOV2022ICPAI	Additions PARNO V2022ICPARNO	V2022ICPA	53,000	ICPARNOV ₀ 0	22ICPARNO	/2022IQ	RNOV2022
RNOV2022ICPAJ RNOV2022ICPAJ RNOV2022ICPAJ RNOV2022ICPAJ	Accelerated depreciation 2020 computed on basis of new RNO assets 221CPARNOV2022ICPARNO	V2022ICPA V2022ICPA V2022ICPA V2022ICPA	26,500 RNOV2022 RNOV2022	ICPARNOV20 ICPARNOV20 ICPARNOV20 ICPARNOV20	22ICPARNOV 22ICPARNOV 22ICPARNOV 22ICPARNOV	/2022ICP/ /2022ICP/ /2022ICP/ /2022ICP/	RNOV2022 RNOV2022 RNOV2022
RNOV2022ICPAI RNOV2022ICPAI	Depreciation basis for 2020	150,00	273,50 0	13,950 ICPARN	8,025	² 19,47 0	RNOV20221
RNOV2022ICPAI RNOV2022ICPAI	Depreciation rate 2020 CPARNO	V2 022ICI A V2022ICPA	RNOV5%2	ICPAR 50%	25%	25%	(RNOV2022)
RNOV2022ICPAI	Depreciation 20202022ICPARNO	V2022ICPA	R 13,675	ICPAR 6,975 0	221012,006	24,868	RN27,524
RNOV2022ICPAI RNOV2022ICPAI RNOV2022ICPAI	Total capital allowance for 2020	V2022ICPA V2022ICPA V2022ICPA	40,175 RNOV2022	ICPAR 6,975 ICPAR NOV20	2,006	4,868	54,024

RNOV2022ICPAIb) Computation of Withholding taxes applicable to Nzagumakumwami Victor PARNOV2022ICPARNOV2022IC RNOV2022ICPARŃOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

RNOV2022ICPARN RNOV2022ICPARN RNOV2022ICPARN RNOV2022ICPARN	Type of income V2022ICPARNOV2022ICP	ARNOV 2022 I CPARNO Workings ARNOV 2022 I CPARNOV 2022 I CPAR ARNOV 2022 I CPARNOV 2022 I CPAR ARNOV 2022 I CPARNOV 2022 I CPAR	NOV 2022ICPARNOV NOV 2022ICPARNOV NOV 2022ICPARNOV NOV 2022ICPARNOV	Amou 2022LCPA	WHT applica ble	CPARNOV2022IC CPARNOV2022IC CPARNOV2022IC
RNOV2022ICPARNO RNOV2022ICPARNO	Dividend income)221CP)V2022ICPARNOV2022ICP	ADividend income from a ICPAR Alisted company ANOV 2022 ICPAR	NOV 300*100,000 NOV2022ICPARNOV	30,000	RNOV202210 RNOV202210	CPARNOV2022IC CPARNOV2022IC
RNOV2022ICPARNO RNOV2022ICPARNO RNOV2022ICPARNO	DV2022ICPARNOV2022ICP DV2022ICPARNOV2022ICP DV2022ICPARNOV2022ICP	ARNO V2022ÎCPÂRNO V2022ÎCPAR ARNO V2022ÎCPARNO V2022ÎCPAR A PNO V2022ÎCPA PNO V2022ÎCPAR	30,000,000*5%	/2022ICPA /2022ICPA	1,500,00 0	CPARNOV2022IC CPARNOV2022IC
RNOV2022ICPARIA RNOV2022ICPARIA	Capital gain OV20221CP computation OV20221CP	Proceeds from the sales of PAR shares 2022 ICPARNOV 2022 I	(500*4,000,000	2,000, 000,00	RNOV202210 RNOV202210	CPARNOV2022IC CPARNOV2022IC
RNOV2022ICPARNO RNOV2022ICPARNO RNOV2022ICPARNO	DV2022ICPARNOV2022ICP DV2022ICPARNOV2022ICP DV2022ICPARNOV2022ICP	ARNOV2022ICPARNOV2022ICPAR Cost of shares RNOV2022ICPAR ARNOV2022ICPARNOV2022ICPAR	(200*4,000,000	800,00	RNOV202210 RNOV202210 RNOV202210	CPARNOV2022IC CPARNOV2022IC CPARNOV2022IC
RNOV2022ICPAI ln RNOV2022ICPARNO RNOV2022ICPARNO	DV2022ICPARNOV2022ICP DV2022ICPARNOV2022ICP DV2022ICPARNOV2022ICP	Capital gain PARNOV2022ICPAR ARNOV2022ICPARNOV2022ICPAR	2,000,000,000- 800,000,000	1,200, 000,00	RNOV202210 RNOV202210 RNOV202210	CPARNOV2022IC CPARNOV2022IC CPARNOV2022IC
RNOV2022ICPARNO RNOV2022ICPARNO RNOV2022ICPARNO	DV2022ICPARNOV2022ICP DV2022ICPARNOV2022ICP	ARNOV2022ICPARNOV2022ICPAR Capital gain tax NOV2022ICPAR	1,200,000,000*	/2022IC Q A /2022ICPA	60,000,0	CPARNOV2022IC CPARNOV2022IC
RNOV2022ICFAINN RNOV2022ICPAINN RNOV2022ICPAINN	Interest income - government bonds	Interest income from long term government bonds	5% 10000000*100/ 95	10,526	RNOV202210 RNOV202210 RNOV202210	CPARNOV2022IC CPARNOV2022IC CPARNOV2022IC
RNOV2022ICPARNO RNOV2022ICPARNO RNOV2022ICPARNO	DV2022ICPARNOV2022ICP DV2022ICPARNOV2022ICP	AWHT on interest income CPAR afrom long term government AR	10,526,316*5% NOV2022ICPARNOV	/2022ICPA /2022ICPA /2022ICPA	526,315. RNO 279	CPARNOV2022IC CPARNOV2022IC CPARNOV2022IC
RNOV2022ICPARNO	OV2022ICPARNOV2022ICP	Abonds ²⁰²² ICPARNOV2022ICPAR ARNOV2022ICPARNOV2022ICPAR	NOV2022ICPARNOV	/2022ICFA	RNOV202210	CPARNOV2022IC

RNOV2022ICPAP**A2.3**2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

RNOV2022ICPARNO	Interest income on 21CP	Interest income NOV2022ICPAR	Maturity of	/2022I _S A	Exempt	CPARNOV2022IC
RNOV2022ICPARA	long term-Fixed	ARNOV2022ICPARNOV2022ICPAR	deposit above 1	exemp	RNOV20ed ¹⁰	CPARNOV2022IC
RNO V 2022I CPAIRNO RNO V 2022I CPAI rno	deposits	ARNOV 2022 ICPARNOV 2022 ICPAR ARNOV 2022 ICPARNOV 2022 ICPAR	year year	ted	RNO V 202210	CPARNOV2022IC

RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICP**SECTION B**ARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC **SECTION B**ARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV20

RNOV2022ICPAP**QUESTION TWO**2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPA

RNOV2022ICPAI<mark>Marking|Guide</mark>OV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

R Details 2ICPARNOV2022ICPARNOV2022ICPARNOV2	022 (Marks) V2022IC	Total Marks ARNOV20221	CPARNOV2022
Exports of cement 2022ICPARNOV2022ICPARNOV2	022.CPARNOV20221 q	PARNOV2022ICPARNOV2022I	CPARNOV2022
Standard cash sales	022 CPARNOV 20221C	PARNOV 2022I CPARNOV 2022I PARNOV 2022I CPARNOV 2022I	CPARNO V 2022
Standard Credit sales 21CPARNOV20221CPARNOV2	022 CPARNOV2022I ¢	PARNOV2022ICPARNOV2022I	CPARNOV20221
Imported services 2022ICPARNOV2022ICPARNOV2	022 CPARNOV2022IG	PARNOV2022ICPARNOV2022I	CPARNOV20221
Debit notes issued	.022 CPARNOV2022IÇ	PARNOV 2022ICPARNOV 2022I	CPARNOV20221
Less Credit notes issued PARNOV2022ICPARNOV2	0221 CPARNOV20221E 0221 CPARNOV20221E	PARNOV 2022 I CPARNOV 2022 I Parnov 2022 I CPARNOV 2022 I	CPARNOV2022J CPARNOV2022J
Less VAT on irrecoverable invoice ²² ICPARNOV2	022 CPARNOV2022IQ	PARNOV2022ICPARNOV2022I	CPARNOV2022I
Full Mark is awarded when workings are shown	022 CPARNOV2022IC	PARNOV 2022ICPARNOV 2022I	CPARNOV20221
Otherwise, award 0.5 Marks	022 CPARNOV2022IC	PARNOV 2022I OPARNOV 2022I PARNOV 2022I OPARNOV 2022I	CPARNO V 2022) CPARNO V 2022)
Imports of raw materials PARNOV2022ICPARNOV2	022 CPARNOV2022I C	PARNOV2022ICPARNOV2022I	CPARNOV2022I
Legal fees ARNOV2022ICPARNOV2022ICPARNOV2	.022 CPARNOV2022IG	PARNOV2022ICPARNOV2022I	CPARNOV20221
Purchases of fuel (exempted)	022 CPARNOV2022IC	PARNOV2022ICPARNOV2022I	CPARNOV2022
Electricity bills OV2022ICPARNOV2022ICPARNOV2	0221CPARNOV20221 (PARNOV2022ICPARNOV2022I	CPARNO V 2022) CPARNO V 2022)
Telephone charges 2022 ICPARNOV 2022 ICPARNOV 2	022 CPARNOV20221 q	PARNOV2022ICPARNOV2022I	CPARNOV20221
Standard rated purchases	022 CPARNOV2022I	PARNOV 2022ICPARNOV 2022I	CPARNOV20221
Purchases of company stationery	0221CPARNOV20221 4		CPARNOV2022
Audit fees PARNOV2022ICPARNOV2022ICPARNOV2	022 CPARNOV2022I G	PARNOV 2022 I CPARNOV 2022 I PARNOV 2022 I CPARNOV 2022 I	CPARNOV2022I
Imports of other goods	0221CPARNOV202213	PARNO V 2022ICPARNO V 2022I	CPARNOV20221
A CONTROL OF THE PROPERTY OF T	022 CPARNOV202212	PARNOV2022ICPARNOV2022I	CPARNOV20221
Credit notes received CPARNOV2022 CPARNOV2	022 CPARNO V 20221 1	PARNOV2022ICPARNOV2022I	CPARNOV2022
VAT refundable	022 CPARNOV2022IQ	PARNOV2022ICPARNOV2022I	CPARNOV2022
Full Mark is awarded when workings are shown Otherwise, award 0.5 Marks. Imports of other	022 CPARNOV2022IC	PARNOV2022ICPARNOV2022I	CPARNOV20221
goods is awarded 3 Marks; each working is	022 CPARNOV2022IC	PARNOV2022ICPARNOV2022I	CPARNOV20221
awarded 1 Mark	022 CPARNOV2022IC	PARNOV2022ICPARNOV2022I	CPARNOV2022J
	022 CPARNOV 2022IC	PARNOV2022ICPARNOV2022I	CPARNO V 2022
Total Marks NOV2022ICPARNOV2022ICPARNOV2	022 CFARNO VZ0ZZIC	PARNOV2022ICPARNOV20 20 I	CDARNOV ZUZZI

RNOV2022ICPAR<mark>A2.3</mark> 2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICI**Page 6 of 17** CPARNOV2022IC RNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNO

RNOV2022ICPAI**Model Answer** NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

RNOV20221CPA Mwizerwa Ltd Computation of VAT payable to RRA for the month ended 31/05/2020/20221CPARNOV20221C

RNOV2022ICPAR	Date 022ICPAR	Description NOV2022ICI	AWorkings ICPARNOV	Amount FRW "000" RNOV20221	CPARNOV2022IC
RNOV2022ICPAR	Computation	of Output VAT V2022ICI	PARNOV2022ICPARNOV	2022ICPARNOV2022ICPARNOV2022I	CPARNOV2022IC
RNOV2022ICPAR RNOV2022ICPAR	02/05/2020	Exports of cement	15,874,56*0%	20221CPARNO V 20221CPARNO V 20221 20221CPARNO V 20221CPARNO V 2020	CPARNO V 2022IC
RNOV2022ICPAR	05/05/2020AR	Standard cash sales 221Cl	ARN397,260*18/118	20221CPARNOV20221CPARN 60,599 1	CPARNOV2022IC
RNOV2022ICPAR	NOV2022ICPAR	NOV2022ICPARNOV2022ICI	ARN (95%*123,000)	2022ICPARNOV2022ICPARNOV2022I	CPARNOV2022IC
RNOV2022ICPAR	07/05/2020	Standard Credit sales	ARNOV2022I*18/118	2022ICPARNOV2022ICPARN17,825 ¹⁰	CPARNOV2022IC
RNOV2022ICPAI RNOV2022ICPAI	24/05/2020	Imported services	367,000*18/100	66,060	CPARNO V 2022IC
RNOV2022ICPAR	26/05/2020AR	Debit notes issued 0221CI	ARNO12,000*18/118V	2022ICPARNOV2022ICPARNO 1/,831 10	CPARNOV2022IC
RNOV2022ICPAR	NOV2022ICPAR	Less Credit notes 2022ICI	PARNOV2022ICPARNOV	2022ICPARNOV2022ICPARNOV2022I	CPARNOV2022IC
RNOV2022ICPAR	26/05/2020	issued 2ICPARNOV2022ICF	ARN 27,000*18/118	2022ICPARNOV2022ICPARN(4,119)	CPARNOV2022IC
RNOV2022ICPAR RNOV2022ICPAR RNOV2022ICPAR	31/05/2020	Less VAT on irrecoverable invoice	40,000*18/118	20221CPARNOV 20221CPARNOV 20221 20221CPARNOV 20221CPARNOV 20221CPARN (6,102) 20221CPARNOV 20221CPARN (6,102)	CPARNO V 2022IC CPARNO V 2022IC CPARNO V 2022IC
RNOV2022ICPAR	Total Output	NAT022ICPARNOV2022ICF	PARNOV2022ICPARNOV	2022ICPARNOV2022ICPAR 144,331 I	CPARNOV2022IC
RNOV2022ICPAR	NOV2022ICPAR	NOV2022ICPARNOV2022ICF	PARNOV2022ICPARNOV	2022ICPARNOV2022ICPARNOV2022IC	CPARNOV2022IC

Date RNOV2022ICPAR	Description NOV2022ICPARNOV2022 NOV2022ICPARNOV2022ICPARNOV2022	Workings 221CPAR	Amount FRW			
Computation	Computation of Input VAT NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2020ICPARNOV20					
03/05/2020	Imports of raw materials RNOV2022	258,900*18/118	NOV2022ICPARN 39,493 I			
09/05/2020	Legal fees Legal fees	25,000*18/118	NOV2022ICPARNO3,814			
11/05/2020	Purchases of fuel (exempted)	ICPARNOV2022ICPAR	RNOV2022ICPARNOV2022I			
12/05/2020	Electricity billsV2022ICPARNOV2022	CP437,200*18/118	NOV2022ICPARNO 5,675 I			
15/05/2020	Telephone charges	18,000*18/118	NOV20221CPARNO 2,746			
19/05/2020	Standard rated purchases RNOV2022	459,000*18/118	NOV20221CPARN70,0171			
25/05/2020 AR	Purchases of company stationery	CP41,000*18/118	NOV2022ICPARNO 6,254 I			
27/05/2020	Audit fees RNOV2022ICPARNOV2022	48,000*18/118	NOV2022ICPARNO 7,322 I			
29/05/2020	Imports of other goods	TCPARNOV2022ICPAR TCPARNOV2022IWPAR	NOV20221CPARNOV20221			
30/05/2020	Credit notes received CPARNOV2022	CP434,000*18/118	NOV2022ICPARN(5,186)I			
Total input	VAT 2022ICPARNOV2022ICPARNOV2022	CPARNOV2022ICPAR	NOV2022ICPAR 193,944			

RNOV2022ICPARNOV2022ICPARNOV202	22ICPARNOV2022ICPARNOV2022ICPARNOV20	221CPARNOV20221CPARNOV20221CPARNOV20221
RNOV2022ICPAIU VAT refundable V202	221CPARNOV20221CPARN 144,331- P 193,944	221CPARNOV20221CPAR (49,613) CPARNOV202210
RNOV2022ICPAI W GV2022ICPARNOV202	22ICPARNOV2022ICPARNOV2022ICPARNOV20	22ICPARNOV2022ICPARNOV2022ICPARNOV2022I
RNOV2022ICPARNOV2022ICPARNOV202	22ICPARNOV2022ICPARNOV2022ICPARNOV20	22ICPARNOV2022ICPARNOV2022ICPARNOV2022I

Description	Workings NOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNO	Amount FRW	CPARNOV2022IC CPARNOV2022IC
RNOV2022ICPAR	NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARN	0V0001CPARNOV202210	CPARNOV2022IO
RI CIF 2022ICPAR	NOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARN	DV2022ICPARI 256,000 I	CPARNOV2022IC
Import duty	CIF *rate	DV2022ICPARNOV2022I	CPARNOV2022IC
RNOV2022ICPAR	256,000,000*25% 0221CPARNOV20221CPARNOV20221CPARN)V2022ICPARNOV2022H)V2022ICPARN 64,000 H	CPARNOV2022IC CPARNOV2022IC
Excise tax	(CIF+import duty) *rateRNOV2022ICPARNOV2022ICPARN	OV2022ICPARNOV2022IC	CPARNOV2022IC
RNOV2022ICPAR	256,000,000+64,000,000*10% 2022ICPARNOV2022ICPARN	32,000 32,000	CPARNOV2022IC

RNOV2022ICPAR<mark>A2.3</mark>′2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICP<mark>Page 7′0f-17</mark>CPARNOV2022IC RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV20

VAT 022ICPAR	(CIF +import duty + excise tax + port charges) 18% ARN	DV2022ICPARNOV2022I
RNOV2022ICPAR	256,000,000+64,000,000+32,000,000+2,500,000) *18%	63,810

RNOV2022ICPAI**QUESTION:THREE** 21CPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

rnov20221cpai**Marking Guide** ov20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov20221c

Question	Details DARNOV 2022 ICPARNOV 2	Marks	Total Marks	22ICPARNOV2022I
RNOV2022ICPA	RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV202 RNOV2022ICPARNOV2022ICPARNOV2021CPARNOV202	22ICPARNOV2	022ICPARNOV20	22ICPARNOV2022I
a) i.	Award 1 Mark of a well explained condition	22ICPARNOV2	022ICPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	that a Rwandan resident taxpayer should fulfil	22ICPARNOV2	022ICPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	to be able to claim or deduct the taxes he/she/20	22ICPARNOV2	022ICPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	RN paid abroad NOV2022ICPARNOV2022ICPARNOV202	22ICPARNOV2	022ICPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	R Total ² ICPARNOV2022ICPARNOV2022ICPARNOV202	22ICPARNOV2	D22ICPARNOV30	221CPARNOV202210
a) ii. 0221CPA	Gross tax liability on all Income	ZZICPARNOVZ ZZICPARNOVZ	0221CPARNOV20 0221CPARNOV20	221CPARNO V 202210 221CPARNO V 202210
RNOV2022ICPA	RN Tax liability on Rwanda income 0221CPARNOV201	2 2 ICPARNO 1/2	022ICPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	Tax liability on Dubai income 2022 ICPARNOV20	221CPARNOY2	022ICPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	Correct Double taxation relief		D22TCPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	RN (Total) i parnov 2022 il parnov 2022 il parnov 20 RN (Total) i cparnov 2022 i cparnov 2022 i cparnov 20	ZICPARNOV2	0221CPARNOV 4 0	221CPARNO V 202210 221CPARNO V 202210
(a) iii.022ICPA	1 Mark on explanation to submit the certified ²⁰	2 2ICPARNOV2	022ICPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	financial statements financial statements	22ICPARNOV2	D22ICPARNOV20	22ICPARNOV2022I
CNOV2022ICPA	RI Total	22ICPARNOV2		22ICPARNOV2022I
(b) i. 2022ICPA	2 Marks for a well explained investment	ZICPARNOVZ Zicparnov2	D22ICPARNOVZO D22ICPARNOV20	221CPARNO V 202210 221CPARNO V 202210
RNOV2022ICPA	registration process, and 2 Marks for a well	22ICPARNOV2	D22ICPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	explained investment certificate validity	22ICPARNOV2	022ICPARNOV20	22ICPARNOV2022I
KNOV2022ICPA	RN Total	ZZICPARNOV2	DZZICPARNOV 4 0	22ICPARNOV2022I
e b) ii 20221CPA	Award 1 Mark on a well explained obligations	221CPARNOV2		221CPARNOV202210
RNOV2022ICPA	RN of a registered investor. PARNOV2022ICPARNOV202	22ICPARNOV2	022ICPARNOV20	221CPARNOV202210
RNOV2022ICPA	RN (Total ² ICPARNOV2022ICPARNOV2022ICPARNOV202	2 21CPARNOV 2	022ICPARNOV 4 0	22ICPARNOV2022I
c) i.	Award 1 Mark to a well explained threats that	22ICPARNOV2	022ICPARNOV20	22ICPARNOV2022I
RNOV2022ICPA	could inappropriately influence a professional	22ICPARNOV2	D22ICPARNOV20	221CPARNOV20221
RNOV2022ICPA	R tax practitioner's judgement and behaviour, V200	22ICPARNOV2	DZZICPAKNOV 20 D22ICPARNOV20	221CPARNOV202210
RNOV2022ICPA	RN (Total 21CPARNOV20221CPARNOV20221CPARNOV202	22ICPARNOV2	D22ICPARNOV 4 0	22ICPARNOV2022I
KNOV2022ICPA	Total Marks	ZICPARNOV2	20 221CPARNO 20	22ICPARNOV2022I

RNOV2022ICPAR<mark>A2.3</mark> 2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICI**Page 8 of 17** CPARNOV2022IC RNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNO

Model Answer

(1**a)**IOV2022ICPARNO

- i) Conditions that a Rwandan resident taxpayer should fulfil to be able to claim or deduct the taxes he/she paid abroad during a tax period:
- 1. The amount of foreign tax payable shall be proved by appropriate evidence such as tax declaration,
- 2. A withholding tax certificate or other similar acceptable document, ARNOV
- 3. The reduction of the income tax provided shall not exceed the tax payable in Rwanda on income from abroad.

ii) Computation of double taxation relief allowed to Ms. Munyamugisha Marceline for the year ended 31/12/2020.

Total taxable Income CPARNOV2022I	CPARNOV2022ICPA Workings	PAR Amount "000" FRW
Rwanda income V2022ICPARNOV2022I	CPARNOV2022ICPARNOV2022IC	PARNOV2022ICPAR 108,000
Income from Dubai (Grossed Up)	(44,000 + 3,400)	PARNOV2022ICPARN 47,400
Gross income NOV2022ICPARNOV2022I	CPARNOV2022ICPARNOV2022IC	PARNOV2022ICPAR 155,400
Tax computation 2022 ICPARNOV20221	CPARNOV2022ICPARNOV2022IC	PARNOV2022ICPARNOV2022
0-36000 CPARNOVZOZZICPARNOVZOZZI	CPARNOVZOZZICPARNOVZ	PARNOV2022ICPARNOV2022
360,001-1,200,000 0221CPARNOV20221	CPARNOV2022ICPARNOV 20 %	PARNOV2022ICPARNOV268
>1,200,000 ARNOV2022ICPARNOV2022I	CPARNOV2022ICPARNOV30%I	PARNOV2022ICPARN46,260
Gross tax liability UZZICPARNOVZUZZI	CPARNOV20221CPARNOV202210	PARNOV2022ICPARN 46,428
NOV2022ICPARNOV2022ICPARNOV2022I	CPARNOV2022ICPARNOV2022IC	PARNOV2022ICPARNOV2022
Tax on Rwandan income RNOV20221	CPARNOV2022ICPARNOV2022I	PARNOV2022ICPARNOV2022
0-360,000 PARNO V2022ICPARNO V2022I	CPARNOV2022ICPARNOV20%IC	PARNOV2022ICPARNOV2022
360,001-1,200,000	PARNOV2022ICPARNOV20%	PARNOV2022ICPARNOV268
>1,200,000 ARNOV2022ICPARNOV2022I	CPARNOV2022ICPARNOV30%	PARNOV20221CPARN 32,040
Tax liability on Rwanda income	CPARNOV2022ICPARNOV2022IC	PARNOV2022ICPARN32,208
NOV2022ICPARNOV2022ICPARNOV2022I	CPARNOV2022ICPARNOV2022IC	PARNOV2022ICPARNOV2022
Tax on Dubai income CPARNOV20221	CPARNOV2022ICPARNOV2022IC	PARNOV2022ICPARNOV2022
0-36000 CPARNO V2022 ICPARNO V2022 I	CPARNOV2022ICPARNOV20%I	PARNOV2022ICPARNOV2022
360,001-1,200,000	PARNOV2022ICPARNOV20%	PAKNOV 2022ICPAKNOV 168
>1,200,000 _{ARNOV2022} iCPARNOV2022	cparnov20221cparnov30%i	PARNOV20221CPARN13,860
Tax liability on Dubai income V20221	CPARNOV2022ICPARNOV2022IC	PARNOV2022ICPARN 14,028
Double taxation relief is the lower b	etween: 14,028 & 3,400	PARNOV2022ICPARNO3,400

iii)Ms. Munyamugisha Marceline is not qualified to submit the certified financial statements because her business turnover is below FRW 600,000,000 the threshold required by the law.

A2.3 20221CPARNO v 20221CP

i. Investment registration process and investment certificate validity

1) Application for investment registration

The investor applies for investment certificate. If the application file for registration of the investment is complete, the Board registers investment, and issues an investment certificate to the registered investor within two (2) working days from the date of receipt of the application.

2) Validity of an investment certificate

An investment certificate is valid for a period of five (5) years from the date of its issuance.

However, an investment certificate can be renewed on request by a registered investor. The period of renewal is five (5) years renewable.

ii. Obligations of a registered investor

- A. A registered investor has the following obligations:
- 1) To implement his or her proposal in accordance with the business plan submitted in the application file for registration of investment;
- 2) To keep financial and accounting records of the investment enterprise and submit a copy of a financial report to the Board within three (3) months following the preceding financial year;
- 3) To keep data relating to operations of the investment entity for a period of five (5) years;
- 4) To facilitate employees of the Board in the performance of their monitoring duties;
- 5) To respond in a period prescribed by written notice to query from the Board in connection with operations of the investment entity;
- 6) To register with the Tax Administration and file tax returns even in case of entitlement to tax RN exemptions: NOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV2

c) (Threats pthat) could inappropriately influence partax/practitioner's judgement and behaviour. PARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV20

1. Self-interest threat

The threat that a financial or other interest will inappropriately influence the professional accountant's judgment or behaviour e.g.

- a. Holding a senior position within a client's organization.
- b. Holding a financial interest in, or receiving a loan or guarantee from the client.
- c. Participating in incentive compensation arrangements offered by the client's organization
- d. Firm having undue dependence on total fees from a client.
- e. A member of the professional accountant team entering into employment negotiations with the client. 022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202
- f. Commercial pressure from outside the employing organization.
- g. A firm being concerned about the possibility of losing a significant client.

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h. A professional accountant discovering a significant error when evaluating the results of a previous professional service performed by a member of the professional accountant's firm.

2. Self-review threat

The threat that a professional accountant will not appropriately evaluate the results of a previous judgment made or service performed by the professional accountant, or by another individual within the professional accountant's firm or employing organization, on which the accountant will rely when forming a judgment as part of providing a current service;

3. Advocacy threat

The threat that a professional accountant will promote a client's or employer's position to the point that the professional accountant's objectivity is compromised;

4. Familiarity threat

The threat that due to a long or close relationship with a client or employer, a professional accountant will be too sympathetic to their interests or too accepting of their work e.g.

- a. Being responsible for the employing organization's financial reporting
- b. Long association with business contacts influencing business decisions
- c. Accepting a gift or preferential treatment, unless otherwise trivial and inconsequential
- d. A member of the engagement team having a close or immediate family member who is an employee of the client who is in a position to exert significant influence over the subject matter of the engagement.

5. Intimidation threat

- a. The threat that a professional accountant will be deterred from acting objectively because of actual or perceived pressures, including attempts to exercise undue influence over the professional accountant.
- b. Threat of dismissal or replacement of professional accountant
- c. Dominant personality attempting to influence the decision-making process. A professional accountant being informed by a partner of the firm that a planned promotion will not occur unless the accountant agrees with a client's inappropriate tax treatment.
- d. A firm being pressured to reduce inappropriately the extent of work performed in order to reduce fees. 2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNO

6. Threats to professional competence and due care.

- A. Insufficient time for properly performing or completing the relevant duties.
- b. Incomplete, restricted or inadequate information for performing duties properly.
- c. Insufficient experience, training and/or education
- d. Inadequate resources for the proper performance of the duties.

 $\mathbf{A2.3}$ 20221CPARNO v 20221CPARNO v 20221CPARNO v 20221CPARNO v 20221CPARNO v 20221CP $\mathbf{age} \mathbf{11}$ of $\mathbf{17}$

RNOV2022ICPAI**QUESTION FOUR**022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

rnov20221cpai**Marking Guide**ov20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov20221cparnov

Question four	Description OV2022ICPARNOV202ICPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPA	Marks	Total Marks
(a)V2022ICPARNO	Tax is a social responsibility V2022ICPARNOV2022ICF	PARNOV2 2 2	2ICPARNOV2022
NOV2022ICPARNO	Transparency in taxation NOV20221CPARNOV20221CF	PARNOV2 2 2	2ICPARNOV2022
NOV2022ICPARNO	Certainty during taxation		ZICPARNOV 2022
NOV2022ICPARNO	Equity/ Equality in taxation V2022ICPARNOV2022ICP	PARNOV2 2 2	2ICPARNOV2022
NOV2022ICPARNO Nov2022ICPARNO	Award 2 Marks on each well explained ethical	PARNOV202 PARNOV202	PICPARNOV2022
NOV2022ICPARNO	issues against tax avoidance. Candidate can 2022ICF	PARNOV202	2ICPARNOV2022
NOV2022ICPARNO	elaborate other than the shown above RNOV2022ICF	PARNOV202	2ICPARNOV2022
NOV2022ICPARNO	Total CPARNOV2022ICPARNOV2022ICPARNOV2022ICP	ARNOV202	2ICPARNOV2028
(b) V2022ICPARNO	Loss carried forward of more than 5 years not	2	2ICPARNOV2022
NOV2022ICPARNO	deducted RNOV2022ICPARNOV2022ICPARNOV2022ICF	PARNOV202	2ICPARNOV2022
NOV2022ICPARNO	Foreign sourced loss not deducted CPARNOV2022ICF	PARNOV2 2 2	2ICPARNOV2022
NOV2022ICPARNO	Management, technical services and royalty fees	$\frac{2}{2}$	ZICPARNOV 2022 ZICPARNOV 2022
NOV2022ICPARNO	Transfer pricing 0221CPARNOV20221CPARNOV20221CF	PARNOV2 2 2	2ICPARNOV2022
NOV2022ICPARNO NOV2022ICPARNO	Award 2 Marks on well explained anti-avoidance measures in the tax laws.	PARNOV202 PARNOV202	ZICPARNOV2022 ZICPARNOV2022
NOV2022ICPARNO NOV2022ICPARNO	Total CPARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202IC	ARNOV202 Parnov202	ZICPAKNOVZUZZ ZICPARNOV202 8
(c)V2022ICPARNO NOV2022ICPARNO	Loss can be carried forward and be offset for the future benefits	PARNOV2¶2 Parnov202	21CPARNOV2022 21CPARNOV2022
NOV2022ICPARNO NOV2022ICPARNO	Discount on listed shares	ARNOV202 ARNOV212	DICPARNOV2022 DICPARNOV2022
NOV2022ICPARNO	Preferential CIT 0221CPARNOV20221CPARNOV20221CF	ARNOV2 1 2	2ICPARNOV2022
NOV2022ICPARNO	Tax holidays V20221CPARNOV20221CPARNOV20221CF	PARNOV212	ZICPARNOV2022
NOV2022ICPARNO NOV2022ICPARNO	Award 1 Mark on each tax planning opportunities	PARNOV202	ZICPARNOV2022 2ICPARNOV2022
NOV2022ICPARNO	available to investing as a partnership in Rwanda.	PARNOV202	2ICPARNOV2022
NOV2022ICPARNO	Candidate can elaborate other than the shown 221CF	PARNOV202	2ICPARNOV2022
NOV2022ICPARNO	above CPARNOV2022ICPARNOV2022ICPARNOV2022ICP	PARNOV202	2ICPARNOV2022
NOV2022ICPARNO	Total CPARNOV2022ICPARNOV202IC	ARNOV202	PICPARMOV202
NOV2022ICPARNO	Total Marks, v20221CPARNOV20221CPARNOV20221CF	PARNOV202	21CPARNOV20 20

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RNOV2022ICPAR<mark>A2.3</mark> 2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I**(Page 12 of 17** PARNOV2022IC RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV20

Model Answer

(a) The moral and ethical issues against tax avoidance with specific reference to international companies PARNOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202IC

Tax is a social responsibility:

- All the time, Government spending is used to finance public needs which have a positive impact on all people's lives, be it taxpayers or not, be it local companies or multinational companies.
- -NO Avoiding tax, is avoiding social responsibility, or a social obligation.
- Paying the right share of tax, provides the country the funds to finance for public infrastructures, security, education and so on.

Transparency in taxation:

The reason behind tax avoidance is to hide under the cover of tax avoidance to generate maximum profits and to repatriate them in home country. International companies most of the time will not disclose schemes they used in their tax avoidance, for the fear that in case it is known, government may address the loopholes. Which translates to the fact that aspect of transparency and full disclosure are undermined under tax avoidance.

Certainty during taxation:

With tax avoidance using manipulation of the loopholes in tax laws and other tax regulations, the government will not be certain in terms of forecasting and planning of how much tax revenue will be collected.

• Equity/ Equality in taxation:

With the concept of double non-tax payment, multinational companies are able to avoid paying taxes both in the host country and in the parent country, yet they are profitable. The public expect that each and every taxpayer should pay the right share of tax, without leaving other taxpayers to pay alone their tax obligations.

(b) The provisions of the income tax law that provides for Rwandan tax anti-avoidance

Loss carried forward of more than 5 years not deducted

If the computation of business profit results in a loss in a tax period, the loss may be deducted from the business profit in the next five (5) tax periods, earlier losses being deducted before later losses.

However, the Tax Administration may authorize the taxpayer who so applied for, the loss carried forward of more than five (5) tax periods if s/he fulfils requirements determined by an Order of the Minister

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Foreign sourced loss not deducted

During a tax period, foreign income can be taxed in Rwanda, however, foreign sourced losses cannot be deducted from either present or future domestic sourced business profits.

Management, technical services and royalty fees

Management, technical services and royalty fees paid to a non-resident person exceeding two percent (2%) of the turnover of the taxpayer are not deducted to the taxable business income

• Transfer pricing

- Related persons involved in controlled transactions must have documents justifying that their prices are applied according to arm's length principle. Failure to do so, the Tax Administration adjusts transactions prices in accordance with general rules on transfer pricing.
- the outstanding balance after the taxation of income from the correction made by the Tax Administration in the transfer pricing is considered as dividend income. Which is subject to withholding tax.
- (c) Tax planning opportunities available to investing as a partnership in Rwanda.
- ✓ A partnership business is taxed as company in Rwanda,
- ✓ Loss can be carried forward and be offset for the future benefits
- ✓ Discount on listed shares: 40 = 20%, 30 = 25%, 20 = 28%
- ✓ Preferential CIT 0% and 15%
- ✓ Tax holidays
- ✓ Investment allowance at 50%

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Marking Guide

Question	n Details PARNOV2022ICPARNOV2022ICPARNOV202	Marks	Total Marks
a) i.	Award 0.5 Marks per any valid circumstance	ZICPARNOV.	2022ICPARNOV20
RNOV2022ICPAR	that may trigger the tax administration to	2ICPARNOV	2022ICPARNOV20
RNOV2022ICPAR	conduct a tax investigation. OV2022ICPARNOV202	2ICPARNOV	2022ICPARNOV20
RNOV2022ICPAR	Total CPARNOV2022ICPARNOV2022ICPARNOV202	2ICPARNOV	0221CPARN 2.5 0
a) ii. 02210PAR	Award 0.5 Marks per each well explained and	ZICPARNOV ZICPARNOV	022ICPARNOV20
RNOV2022ICPAR	valid information provided in applying a NOV202	2ICPARNOV	2022ICPARNOV20
RNOV2022ICPAF	RN search warrant V2022ICPARNOV2022ICPARNOV202	2ICPARNOV	2022ICPARNOV20
RNOV2022ICPAR	RN <mark>Total</mark> i CPARNO V 2022 I CPARNO V 2022 I CPARNO V 202	2ICPARNOV	022ICPARN 2.5 (
RNOV2022ICPAR	N Oct-20 Parnov2022icparnov2022icparnov202	ZICPARNOV	20221CPARNOV20
R (b) V2022ICPAF	Output VAT on credit sales OV2022ICPARNOV202	21CPAR1 0.5 7	2022ICPARNOV20
RNOV2022ICPAR	Less: Credit notes	ZICPARNON	2022ICPARNOV20
RNOV2022ICPAR	Inputs VAT on imports ARNO V2022ICPARNO V202	ZICPARIO.5	2022ICPARNOV20
RNOV2022ICPAR	Inputs VAT on local purchases 0221CPARNOV202	21CPAR1 0.5 7	2022ICPARNOV20
RNOV2022ICPAF RNOV2022ICPAF	Less: Debit notes	ZICPARNON	2022ICPARNOV20 2022ICPARNOV20
RNOV2022ICPAR	Fixed Penalties for non-declaration CPARNOV202	21CPAR1 0.5 7	2022ICPARNOV20

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Question	Details PARNOV2022ICPARNOV2022ICPARNOV202	Marks	Total Marks
NOV 2022ICPAF NOV 2022ICPAF	Penalties for non-declaration (3 months)	ZICPARNOV ZICPARNOV	2022ICPARNOV2 2022ICPARNOV2
NOV2022ICPAF	Interests for 3 months PARNOV2022ICPARNOV202	2ICPARNO l /	2022ICPARNOV2
NOV2022ICPAF	Total tax to be paid October 2020 CPARNOV202	0.5	2022ICPARNOV2
NOV2022ICPAE NOV2022ICPAE	Nov-20 parnov2022icparnov2022icparnov202	ZICPARNOV	2022ICPARNOV2
NOV2022ICPAF	RN Output VAT OV2022ICPARNOV2022ICPARNOV202	21CPAR1 0.5 /	2022ICPARNOV2
NOV2022ICPAF	Inputs VAT	0.5	2022ICPARNOV2
NOV 2022ICPAF NOV 2022ICPAF	Fixed Penalties for non-declaration CPARNOV202	DICPAR 0.5	2022ICPARNOV2
NOV2022ICPAF	Penalties for non-declaration (2 months)	21CPAR1 0.5 7	2022ICPARNOV2
NOV2022ICPAF	interests for 2 months	0.5	022ICPARNOV2
NOV2022ICPAF NOV2022ICPAF	Total tax to be paid November 2020 PARNOV202	21CPAR 0.5	2022ICPARNOV2
NOV2022ICPAF	RNODec-20 PARNOV2022ICPARNOV2022ICPARNOV202	2ICPARNOV	2022ICPARNOV2
NOV2022ICPAF	Output VAT on office materials supply	0.5	1022ICPARNOV2
NOV2022ICPAF	RNO Output VAT on Cash sales 0V20221CPARNOV202	21CPAR10.5/	2022ICPARNOV2
NOV2022ICPAF	VAT retained by public institution	2ICPARNOV	2022ICPARNOV2
NOV2022ICPAF Nov2022ICPAF	Fixed Penalties for non-declaration	0.5	1022ICPARNOV2 1022ICPARNOV2
NOV2022ICPAF	Penalties for non-declaration (one month) OV202	2ICPARNO V	2022ICPARNOV2
NOV2022ICPAF	Interests for 1 months	21CPARNO ₁	2022ICPARNOV2
NOV2022ICPAI Nov2022ICPAI	Total tax to be paid December 2020 PARNOV202	0.5	10221CPARNOV2 10221CPARNOV2
NOV2022ICPAF	Total tax to be paid (Oct', Nov' and Dec'2020)	2ICPAR 10.5	2022ICPARNOV2
NOV2022ICPAF	Total	ZICPARNOV	10221CPARNU 1 5
NOV2022ICPAE Nov2022ICPAE	Total Marks 020221CPARNO 020221CPARNO 0202	PICPARNOV PICPARNOV	10221CPARNO 20 20221CPARNO 20

Model Answer

21CPA (**a)**, ov 20221cparnov 20221cparnov 20221cparnov 20221cparnov 20221cparnov 20221cparnov 20221cparn

2022ICPA i) Circumstances that may trigger the Tax Administration to conduct a tax investigation:

- 1) Deliberately underreporting or omitting income,
 - PAI2) Overstating the amount of deductions, ARNOV20
 - 3) Keeping two sets of books, NOV2022ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV
 - 4) Making false entries in books and records,
 - 5) Claiming false deductions, NOV2022ICPARNO
 - 16) Hiding or transferring assets or income, RNOV2022ICPARNOV2022ICPARNOV202

ii) In applying for a search warrant, the Tax Administration provides:

- 1. The name, address and activity of tax payer;
- 2. The exact location of the premises or dwellings the Tax Administration wants to visit; OV2022ICPA
- 3. The serious indications of fraud the Tax Administration holds against the taxpayer; RNOV2022ICPARNOV

 $\mathbf{A2.3}$ 2022 i Cpakino v 2022 i Cpakino v 2022 i Cpakino v 2022 i Cpakino v 2022 i C \mathbf{Page} $\mathbf{15}$ of $\mathbf{17}$

RNOV2022ICPA 4. The reasons why the tax administration wants a search warrant. 2ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202ICPARNOV202IC

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RNOV2022ICPAI**Computation of VAT payable October 2020** V2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC

NOV2022ICPAI Ttems 22ICPARNOV2022ICPARNOV2022ICI	Workings PARNOV2022ICPAR	Amount in FRW
Output VAT on credit sales	298,000,000*18/118	45,457,627
OV2022ICPAR Less: Credit notes 2022ICPARNOV2022ICI	PARNOV2022 17,000,000*18/118 R	NOV2022ICI(2,593,220)1
/2022ICPAI <mark>NTotal OutputNOV2022ICPARNOV2022ICI</mark>	PARNOV2022ICPARNOV2022ICPAR	NOV2022ICP 42,864,407
Inputs VAT on imports	128,000,000 *18/118	19,525,424
Inputs VAT on local purchases v20221CI	72,000,000*18/118 R	NOV2022ICP10,983,051
22ICPA Less: Debit notes V2022ICPARNOV2022ICI	RNOV202235,000,000*18/118	NOV2022ICI(5,338,983)10
21CPA TOVALIZICPARNOV2022ICPARNOV2022ICI	PARNOV2022ICPARNOV2022ICPAR	25,169,492
CPA VAT Payable NOV2022ICPARNOV2022ICI	PARNOV2022ICPARNOV2022ICPAR	17,694,915
Fixed Penalties for non-declaration 221Cl	PARNOV2022ICPARNOV2022ICPAR	NOV2022ICPAR1 300,000 I
Penalties for non-declaration (3 months)	17,694,915*60%	10,616,949
Interests for 3 months	17,694,915*1.5%*3	796,271 796,271
Total tax to be paid October 2020 (A)	PARNOV2022ICPARNOV2022ICPAR	NOV2022ICP 29,408,135 I

Computation of VAT payable November 2020 2021 CPARNOV 2022 ICPARNOV 2022

RNOV2022ICPA RNOV2022ICPA	Items 221CPARNOV2022ICPARNOV2022ICPAR	Workings	Amount in FRW
RNOV2022ICPA	Output VATRNOV2022ICPARNOV2022ICPAR	NOV2022ICPARNOV2022ICPARN	IOV2022ICPARNOV202 0 I
RNOV2022ICPA	Inputs VAT RNO V2022ICPARNO V2022ICPAR	NOV2022ICPARNOV2022ICPARN	IOV2022ICPARNOV202
RNOV2022ICPA RNOV2022ICPA	Tax liability RNOV2022ICPARNOV2022ICPAR	NOV2022ICPARNOV2022ICPARI Nov2022ICPARNOV2022ICPARI	10 V 20221 CPARNO V 20221 10 V 20221 CPARNO V 202
RNOV2022ICPA	Fixed Penalties for non-declaration 221CPAR	NOV2022ICPARNOV2022ICPARN	OV2022ICPAR1300,0001
RNOV2022ICPA	Penalties for non-declaration (2 months)	NOV2022ICPARNOV2022ICPARN	IOV2022ICPARNOV20201
RNOV2022ICPA	interests for 2 months	NOV2022ICPARNOV2022ICPARN Nov2022ICPARNOV2022ICPARN	10V20221CPARNOV20221
RNOV2022ICPA	Total tax to be paid November 2020 (B)	NOV2022ICPARNOV2022ICPARN	OV2022ICPAR 300,000

RNOV2022ICPAI**Computation of VAT payable December 2020**2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022IC RNOV2022ICPARNOV202

RNOV2022ICPAI	Ttems	Workings	Amount in FRW
RNOV2022ICPAI	Output VAT on office materials supply	389,278,000*18/118	10V20221CP59,381,390
RNOV2022ICPAI	Output VAT on Cash sales NOV2022ICPAR	NOV202153,000,000*18/118	OV2022ICP 23,338,983 I
RNOV2022ICPAI RNOV2022ICPAI	Total output VAT OZZICPARNOVZOZZICPAR	NOV2022ICPARNOV2022ICPARN	82,720,373
RNOV2022ICPAI	RNOV2022ICPARNOV2022ICPARNOV2022ICPAR	NOV2022ICPARNOV2022ICPARN	IOV2022ICPARNOV2022I
RNOV2022ICPAI	Inputs VATRNOV2022ICPARNOV2022ICPAR	NOV2022ICPARNOV2022ICPARN	IOV2022ICPARNOV2022I
RNOV2022ICPAI	VAT retained by public institution 221CPAR	NOV2022ICPARNOV2022ICPARN	59,381,390
RNOV2022ICPAI RNOV2022ICPAI	Tax liability NOV20221CPARNOV20221CPAR	NOV2022ICPARNOV2022ICPARI	23,338,983
RNOV2022ICPAI	RNOV2022ICPARNOV2022ICPARNOV2022ICPAR	NOV2022ICPARNOV2022ICPARN	IOV2022ICPARNOV2022I
RNOV2022ICPAI	Fixed Penalties for non-declaration 221CPAR	NOV2022ICPARNOV2022ICPARN	OV2022ICPARI300,000I

RNOV2022ICPAF<mark>A2.3</mark> 2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I(**Page 16 of 17** RNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022ICPARNOV2022I

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Penalties for non-declaration (one month)
                                                                        4,667,797
                                              23,338,983*20%
                                                                          350,085
Interests for 1 months
Total tax to be paid December 2020 (C)
               END OF MARKING GUIDE AND MODEL ANSWERS
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