

Summary of Changes– GN49

“Taxation of Distributions from Corporate Taxpayers – Updated November 2015”

An updated version of Guidance Note 49 – Taxation of Distributions from Corporate Taxpayers is available on the Division’s website.

<https://www.gov.im/categories/tax-vat-and-your-money/income-tax-and-national-insurance/tax-practitioners-and-technical-information/guidance-notes/>

A number of specific amendments and additions have been made, which are summarised below.

The original text has also been amended slightly in some areas to make it read more clearly or to correct typographical errors.

Summary of Additions and Amendments to GN49 are;

1. Confirmation that the Assessor cannot comment on whether a distribution is legal under company law has been added to the introduction.
2. More examples of statutory 10% credit calculations have been added (Section 4.6)
3. Claiming the Concession for New Source Income guidance has been added (Section 5.2.1)
4. Clarification regarding Change in Ownership and Allocation of Previous Dividends in Reserves Schedules has been added (Section 5.4)
5. A “Help Card” summarising starting figures to use for each box when preparing a schedule added as an appendix.
6. Example layout of reserves schedules have also been added as appendices.