

# Taxation (F6)

## Malawi (MWI)

### June & December 2014

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).

##### Learning Materials

ACCA's Approved Learning Partner - content (ALP-c) is the programme through which ACCA approves learning materials from high quality content providers designed to support study towards ACCA's qualifications.

ACCA has one Platinum Approved Learning Partner content which is BPP Learning Media. In addition,

there are a number of Gold Approved Learning Partners - content.

For information about ACCA's Approved Learning Partners - content, please go ACCA's Content Provider Directory.

The Directory also lists materials by Subscribers, these materials have not been quality assured by ACCA but may be helpful if used in conjunction with approved learning materials. You will also find details of Examiner suggested Additional Reading which may be a useful supplement to approved learning materials.

ACCA's Content Provider Directory can be found here–  
[http://www.accaglobal.com/learningproviders/alpc/content\\_provider\\_directory/search/](http://www.accaglobal.com/learningproviders/alpc/content_provider_directory/search/).

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 AND EDUCATION RECOGNITION

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.

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognized and valued by governments, regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognized on the education frameworks in several countries. Please refer to your national education framework regulator for further information.

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 *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 both the P4 and P5 Options papers contain one 50 mark compulsory question, and Section B will offer a choice of two from three questions each worth 25 marks each.

Section A of each of the P6 and P7 Options papers contains 60 compulsory marks from two questions; question 1 attracting 35 marks, and question 2 attracting 25 marks. Section B of both these Options papers will offer a choice of two from three questions, with each question attracting 20 marks.

All Professional level exams contain four professional 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 except where indicated otherwise, ACCA will publish *examinable documents* once a year to indicate exactly what regulations and legislation could potentially be assessed within identified examination sessions.

For paper based examinations regulation *issued* or legislation *passed* on or before 30<sup>th</sup> September annually, will be assessed from June 1<sup>st</sup> of the following year to May 31<sup>st</sup> of the year after. Please refer to the examinable documents for the paper (where relevant) for further information.

Regulation issued or legislation passed in accordance with the above dates may be examinable even if the *effective* date is in the future.

The term issued or passed relates to when regulation or legislation has been formally approved.

The term effective relates to when regulation or legislation must be applied to an entity transactions and business practices.

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.

***Note: this syllabus remains draft subject to any changes in legislation which may be passed prior to 30 September 2013.***

# Syllabus

## TX (MWI)

### AIM

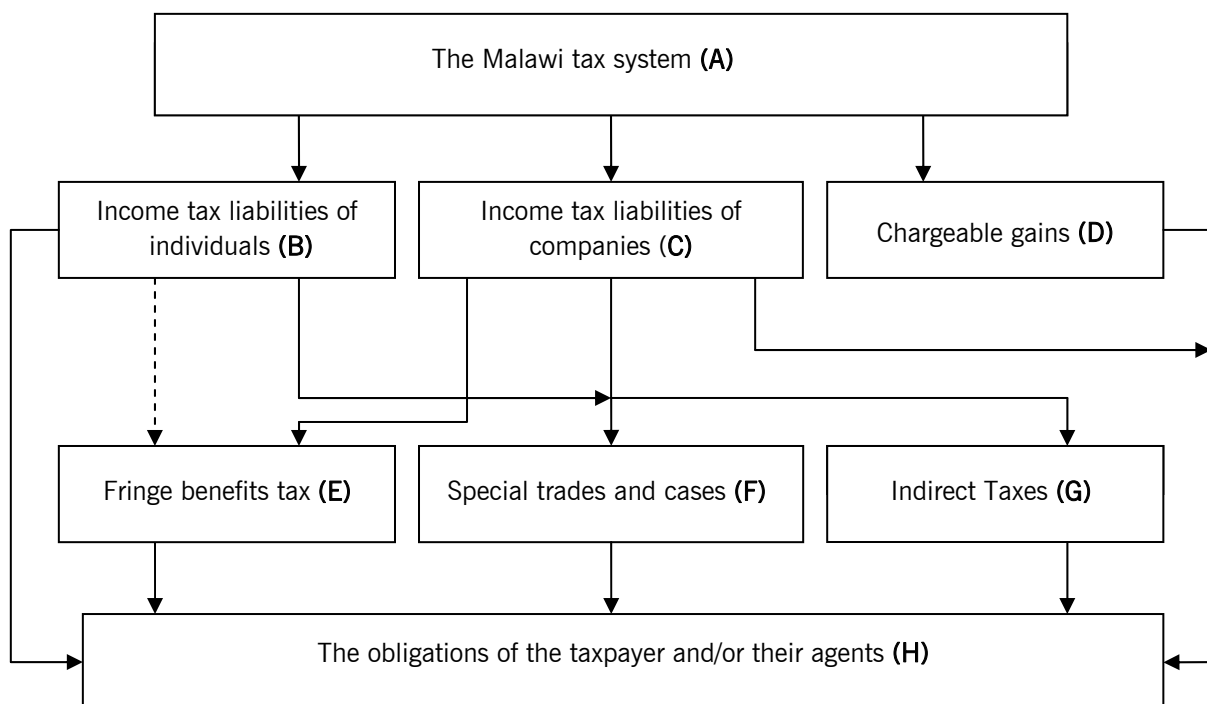
To develop knowledge and skills relating to the Malawi tax system as applicable to individuals and companies.

### MAIN CAPABILITIES

After completing this examination paper students should be able to:

- A** Explain the operation and scope of the Malawi tax system
- B** Explain and compute the income tax liabilities of individuals
- C** Explain and compute the income tax liabilities of companies
- D** Explain and compute the chargeable gains arising on companies and individuals
- E** Explain and compute fringe benefits tax on employee benefits
- F** Explain and compute tax as it affects special trades and cases
- G** Explain and compute the effects of indirect taxes, value added tax and custom and excise duties on incorporated and unincorporated businesses
- H** Identify and explain the obligations of tax payers 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 income tax from self employment, employment and investments, the income tax liability of companies, fringe benefits tax, special trades and cases, the value added and other indirect tax liabilities of businesses and the chargeable gains arising on disposals by both individuals and companies.

Having covered the core areas of the basic taxes, the candidate 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 Malawi tax system**

1. The overall function and purpose of taxation in a modern economy
2. Different types of taxes
3. Principal sources of revenue law and practice
4. Tax avoidance and tax evasion

### **B Income tax liabilities for individuals**

1. The scope of income tax
2. Income from employment
3. Income from self-employment (unincorporated businesses), including profits chargeable to income tax
4. Property and investment income

5. The comprehensive computation of taxable income and income tax liability
6. The use of exemptions, and reliefs in deferring and minimising income tax liabilities
7. The use of withholding and provisional taxes paid as credit against tax liability

### **C Income tax liabilities for companies**

1. The scope of corporate income tax
2. Profits chargeable to corporate income tax
3. The comprehensive computation of corporate income tax liability
4. The use of exemptions, and reliefs in deferring and minimising income tax liabilities
5. The use of withholding and provisional taxes paid as credit against tax liability

### **D Chargeable gains**

1. The scope of the taxation of capital gains
2. The computation of gains and losses
3. The use of exemptions and reliefs in deferring and minimising tax liabilities arising on the disposal of capital assets

### **E Fringe benefits tax**

1. The scope of fringe benefits tax
2. The computation of fringe benefits tax

### **F Special Trades and cases**

1. The scope of the taxation of special trades and cases
2. Basic principles for the taxation of income arising from:  
Trusts, Insurance companies, cooperatives, club, societies and non profit making organisations and income from farming activities

3. Taxation of businesses extending beyond the borders of Malawi

**G Indirect taxes – value added tax, customs and excise duties**

1. The scope of value added tax (VAT)
2. The VAT registration requirements
3. The computation of VAT liabilities
4. The special retail scheme
5. The scope of customs and excise duties
6. The calculation and collection of duties on imports

**H The obligations of tax payers and/or their agents**

1. The systems for registration and the filing of annual tax returns
2. The time limits for the submission of information, claims and payment of tax, including payments for provisional tax
3. The procedures relating to enquiries, appeals and settlement of disputes.
4. Penalties for non-compliance

## 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 income tax for individuals and the other question will focus on income tax for companies.
- Question three will be for 15 marks, and will focus on VAT.
- Questions four and five can be on any area of the syllabus including tax planning and each question will carry a minimum of 10 marks but each but will not exceed 20 marks. The total marks for these two questions will be 30 marks.

Fringe benefits tax can be examined as part of a question dealing with income tax, but can also be examined separately as part of question four or question five.

Chargeable gains can be examined either as part of the income tax scenario in questions one and two or separately, as part of questions four or five.

Indirect taxes, other than VAT, may be examined as part of any question and will not necessarily be restricted to any particular question.

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

# Study Guide

## A THE MALAWI 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.<sup>[2]</sup>

### 2. Different types of taxes

- a) Identify the different types of capital and revenue tax.<sup>[1]</sup>
- b) Explain the difference between direct and indirect taxation.<sup>[2]</sup>

### 3. Principal sources of revenue law and practice

- a) Describe the overall structure of the Malawi tax system.<sup>[1]</sup>
- b) State the different sources of revenue law.<sup>[1]</sup>
- c) Appreciate the interaction of the Malawi tax system with that of other tax jurisdictions.<sup>[2]</sup>

### 4. Tax avoidance and tax evasion

- a) Explain the difference between tax avoidance and tax evasion.<sup>[1]</sup>
- b) Explain the need for an ethical and professional approach.<sup>[2]</sup>

#### Excluded topics

- None

## B INCOME TAX LIABILITIES

### 1. The scope of income tax

- a) Explain the basis of determining the taxable income of an individual.<sup>[1]</sup>
- b) Explain how foreign income is treated and the applicability of double tax treaties.<sup>[1]</sup>

### 2. Income from employment

- a) Explain the differences between employment and self employment.<sup>[1]</sup>
- b) Recognise the basis of assessment for employment income.<sup>[2]</sup>
- c) Compute the income assessable.<sup>[2]</sup>
- d) Recognise the allowable deductions from taxable income.<sup>[2]</sup>
- e) Recognise how different remuneration packages can result in different amounts of taxable income and tax liability.<sup>[2]</sup>
- f) Explain how the PAYE system works.<sup>[1]</sup>
- g) Compute the amount of benefits assessable on the individual tax payer.<sup>[2]</sup>

#### Excluded topics

- *Payments on the termination of employment, and other exgratia payments received by employees.*

### 3 Income from self-employment (unincorporated businesses) including profits chargeable to income tax

- a) Recognise the basis of assessment for self-employment income.<sup>[2]</sup>
- b) Recognise the expenditure that is allowable in calculating the tax-adjusted trading profit.<sup>[2]</sup>
- c) Recognise the relief that can be obtained for pre-trading expenditure.<sup>[2]</sup>
- d) Compute the assessable profits on commencement and on cessation.<sup>[2]</sup>
- e) Compute overlap profits in the year of cessation.<sup>[2]</sup>
- f) Change of accounting date
  - i) Recognise the factors that will influence the choice of accounting date <sup>[2]</sup>
  - ii) State the conditions that must be met for a change of accounting date to be valid <sup>[1]</sup>



iii) Compute the assessable profits on a change of accounting date.<sup>[2]</sup>

g) Capital allowances

- i) Identify the assets qualifying for capital allowances <sup>[1]</sup>
- ii) Define an industrial building for capital allowance purposes <sup>[1]</sup>
- iii) Compute investment allowance for new and second hand buildings and plant and machinery <sup>[2]</sup>
- iv) Compute initial and annual allowances for qualifying assets <sup>[2]</sup>
- iv) Compute balancing allowances and balancing charges <sup>[2]</sup>

h) Relief for trading losses

- i) Understand how trading losses can be carried forward <sup>[2]</sup>
- ii) Explain how trading losses can be carried forward following the incorporation of a business <sup>[2]</sup>
- iii) Understand how trading losses can be claimed against total income and chargeable gains.<sup>[2]</sup>

i) Partnerships

- i) Explain how a partnership is assessed to tax <sup>[2]</sup>
- ii) Compute the assessable profits for each partner taking into account the profit sharing ratios <sup>[2]</sup>

**4. Property and investment income**

- a) Explain the treatment of expenses incurred in relation to property.<sup>[2]</sup>
- b) Compute the amount of property income assessable taking into account all relevant expenses.<sup>[2]</sup>
- c) Understand how relief for a property business loss is given.<sup>[2]</sup>
- d) Compute the tax payable on interest income.<sup>[2]</sup>
- e) Explain the treatment of dividend income.<sup>[2]</sup>

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

- a) Prepare a basic income tax computation involving different types of income.<sup>[2]</sup>
- b) Compute the amount of income tax payable.<sup>[2]</sup>
- c) Explain the scope of withholding tax.<sup>[1]</sup>
- d) Calculate the withholding taxes payable in respect of payments made.<sup>[2]</sup>
- e) Explain the treatment of donations and provisions.<sup>[1]</sup>

**Excluded Topics**

- *The income of minor children.*

**6. The use of exemptions and reliefs in deferring and minimising income tax liabilities**

- a) Explain and compute the relief given to employers for contributions to pension schemes.<sup>[2]</sup>
- b) Explain how a married couple are taxed and how they can minimise their tax liabilities.<sup>[2]</sup>
- c) Understand how withholding taxes deducted from income can be credited against income tax payable.<sup>[2]</sup>

**7. The use of withholding and provisional taxes paid as credit against tax liability**

- a) Describe the scope of withholding and provisional taxes.<sup>[1]</sup>
- b) Calculate the withholding and provisional taxes payable in respect of payments made.<sup>[2]</sup>
- c) Understand how withholding taxes can be credited against tax payable.<sup>[2]</sup>

**C INCOME TAX LIABILITIES FOR COMPANIES**

**1. The scope of corporate income tax**

- a) Define the terms 'period of account', 'year of assessment', and 'financial year'.<sup>[1]</sup>

- b) Explain how, where a company is registered affects the determination of the tax payable.<sup>[2]</sup>

#### Excluded topics

- *Companies in receivership or liquidation.*
- *Reorganisations.*

### 2. Profits chargeable to corporate income tax

- a) Recognise the expenditure that is allowable in calculating the tax-adjusted trading profit.<sup>[2]</sup>
- b) Explain how relief can be obtained for pre-trading expenditure.<sup>[1]</sup>
- c) Compute capital allowances (as for income tax for individuals).<sup>[2]</sup>
- d) Compute property business profits.<sup>[2]</sup>
- e) Explain the treatment of donations and provisions.<sup>[2]</sup>
- f) Understand how trading losses can be carried forward.<sup>[2]</sup>
- g) Understand how trading losses can be claimed against income of the current or future accounting period.<sup>[2]</sup>
- h) Recognise the factors that will influence the choice of loss relief claim.<sup>[2]</sup>
- i) Explain how relief for a property business loss is given.<sup>[1]</sup>
- j) Compute profits chargeable to income tax.<sup>[2]</sup>
- k) Explain how the income of Malawi branches of non-resident companies is taxed, including the effect of double tax relief.<sup>[2]</sup>

### 3. The comprehensive computation of corporate income tax liability

- a) Compute the corporate income tax liability.<sup>[2]</sup>
- b) Explain the implications of receiving and paying dividends.<sup>[2]</sup>

- c) Explain how withholding and provisional taxes are applied to total tax liability and calculate relevant liabilities.<sup>[2]</sup>

### 4. The use of exemptions and reliefs in deferring and minimising corporation tax liabilities (The use of such exemptions and reliefs is implicit within all of the above sections 1 to 3 and part 5 of part C of the syllabus, concerning corporate income tax)

### 5. The use of withholding and provisional taxes paid as a credit against tax liability

- a) Describe the scope of withholding and provisional taxes.<sup>[1]</sup>
- b) Calculate the withholding taxes payable in respect of payments made.<sup>[2]</sup>
- c) Understand how withholding and provisional taxes can be credited against tax payable.<sup>[2]</sup>

## D CHARGEABLE GAINS

### 1. The scope of the taxation of capital gains

- a) Describe the scope of the taxation of capital gains.<sup>[2]</sup>
- b) List those assets which are exempt.<sup>[1]</sup>
- c) Explain the exemptions available on the disposal of quoted shares.<sup>[2]</sup>

### 2. The computation of gains and losses.

- a) Compute capital gains for both individuals and companies.<sup>[2]</sup>
- b) Calculate the basis of valuation of an asset for capital gains purposes, as adjusted for inflation where applicable.<sup>[2]</sup>
- c) Determine the basis of valuation of quoted shares.<sup>[2]</sup>
- d) Explain the treatment of capital losses for both individuals and companies.<sup>[1]</sup>
- e) Explain the treatment of transfers between a husband and wife.<sup>[2]</sup>

- f) Compute the amount of allowable expenditure for a part disposal.<sup>[2]</sup>
- g) Explain the treatment where an asset is damaged, lost or destroyed, and the implications of receiving insurance proceeds and reinvesting such proceeds.<sup>[2]</sup>

#### **Excluded topics**

- *Gains and losses resulting from disposals on liquidation*
- *Disposals on the death of a tax payer*

### **3. The use of exemptions and reliefs in deferring and minimising tax liabilities arising on the disposal of capital assets**

- a) Explain and apply rollover relief as it applies to individuals and companies.<sup>[2]</sup>
- b) Explain the exemptions applicable when a principal private residence is disposed of.<sup>[2]</sup>
- c) Explain the exemptions available on the disposal of quoted shares.<sup>[2]</sup>

## **E FRINGE BENEFITS TAX**

### **1. The scope of fringe benefits tax**

- a) Describe the scope of fringe benefits tax.<sup>[1]</sup>

### **2. The computation of fringe benefits tax.**

- a) Compute the value of fringe benefits.<sup>[2]</sup>
- b) Explain the tax treatment of cash benefits.<sup>[2]</sup>
- c) Compute the fringe benefits tax liability.<sup>[2]</sup>

## **F SPECIAL TRADES AND CASES**

### **1. The scope of the taxation of special trades and cases**

- a) Determine what constitutes a special trade or case.<sup>[1]</sup>

### **2. Basic principles for the taxation of income arising from:**

**Trusts, insurance companies, cooperatives, clubs, societies and non profit making organisations and income from farming activities**

- a) Explain how the income from farming, including timber growing; and from insurance business is determined and the allowances applicable.<sup>[2]</sup>
- b) Explain how the income arising on trusts; co-operatives; clubs, societies and other not for profit organisations is determined and the rates of tax applicable.<sup>[2]</sup>
- c) Explain and apply the tax incentives available under the Investment Promotion Act.<sup>[2]</sup>

### **3. Taxation of businesses extending beyond the borders of Malawi.**

- a) Explain how the income of a business extending beyond the borders of Malawi is taxed, including the effect of double tax relief.<sup>[2]</sup>

## **G INDIRECT TAXES – VALUE ADDED TAX, CUSTOMS AND EXCISE DUTIES**

### **1. The scope of value added tax (VAT)**

- a) Describe the scope of VAT.<sup>[2]</sup>
- b) List the principal zero-rated and exempt supplies.<sup>[1]</sup>

### **2. The VAT registration requirements**

- a) Recognise the circumstances in which a person must register for VAT.<sup>[2]</sup>
- b) Explain the advantages of voluntary VAT registration.<sup>[2]</sup>
- c) Explain the circumstances in which pre-registration input VAT can be recovered.<sup>[2]</sup>
- d) Explain how and when a person can deregister for VAT.<sup>[1]</sup>

- e) Identify the records that must be maintained by persons registered for VAT.<sup>[1]</sup>

### **3. The computation of VAT liabilities**

- a) Explain how VAT is accounted for and administered.<sup>[2]</sup>
- b) Recognise the tax point when goods or services are supplied.<sup>[2]</sup>
- c) List the information that must be given on a VAT invoice.<sup>[1]</sup>
- d) Explain and apply the principles regarding the valuation of supplies.<sup>[2]</sup>
- e) Recognise the circumstances in which input VAT is non-deductible.<sup>[2]</sup>
- f) Compute the relief that is available for doubtful or bad trade debts.<sup>[2]</sup>
- g) Explain the circumstances under which penalties and interest will be applied.<sup>[1]</sup>

### **4. The special retail scheme**

- a) Describe the special retail scheme, and recognise when it will be advantageous to use the scheme.<sup>[2]</sup>
- b) Calculate VAT payable using the special retail scheme.<sup>[2]</sup>

### **5. The scope of customs and excise duties**

- a) Explain the scope and how customs and excise duty is administered and duties collected.<sup>[1]</sup>

### **6. The calculation and collection of duties on imports**

- a) Compute customs and excise duty on imported items.<sup>[1]</sup>

## **H. THE OBLIGATIONS OF TAX PAYERS AND/OR THEIR AGENTS**

### **1. The system for registration filing of annual tax returns**

- a) Explain and apply the features of the assessment system as it applies to individuals.<sup>[2]</sup>

- b) Explain and apply the features of the assessment system as it applies to companies.<sup>[2]</sup>

### **2. The time limits for the submission of information, claims and payment of tax, including payments for provisional tax**

- a) Recognise the time limits that apply to the filing of returns and the making of claims.<sup>[2]</sup>
- b) Recognise the due dates for the payment of tax, including that on filing and assessment.<sup>[2]</sup>
- c) Compute provisional tax payments and balancing payments/repayments.<sup>[2]</sup>
- d) Explain the provisions as regards the operation of the provisional tax system for companies and self-employed individuals.<sup>[2]</sup>
- e) List the information and records that taxpayers need to retain for tax purposes.<sup>[1]</sup>

### **3. The procedures relating to enquiries, appeals and settlement of disputes**

- a) Explain the circumstances in which the Commissioner can enquire into the affairs of a tax payer as regards the submission of returns of income.<sup>[2]</sup>
- b) Explain the procedures for dealing with appeals and disputes.<sup>[1]</sup>

### **4. Penalties for non-compliance**

- a) Calculate interest on overdue tax.<sup>[2]</sup>
- b) State the penalties that can be charged.<sup>[2]</sup>

## **SUMMARY OF CHANGES TO F6 (MWI)**

ACCA periodically reviews its qualification syllabuses so that they fully meet the needs of stakeholders such as employers, students, regulatory and advisory bodies and learning providers.

There are no changes to this syllabus.