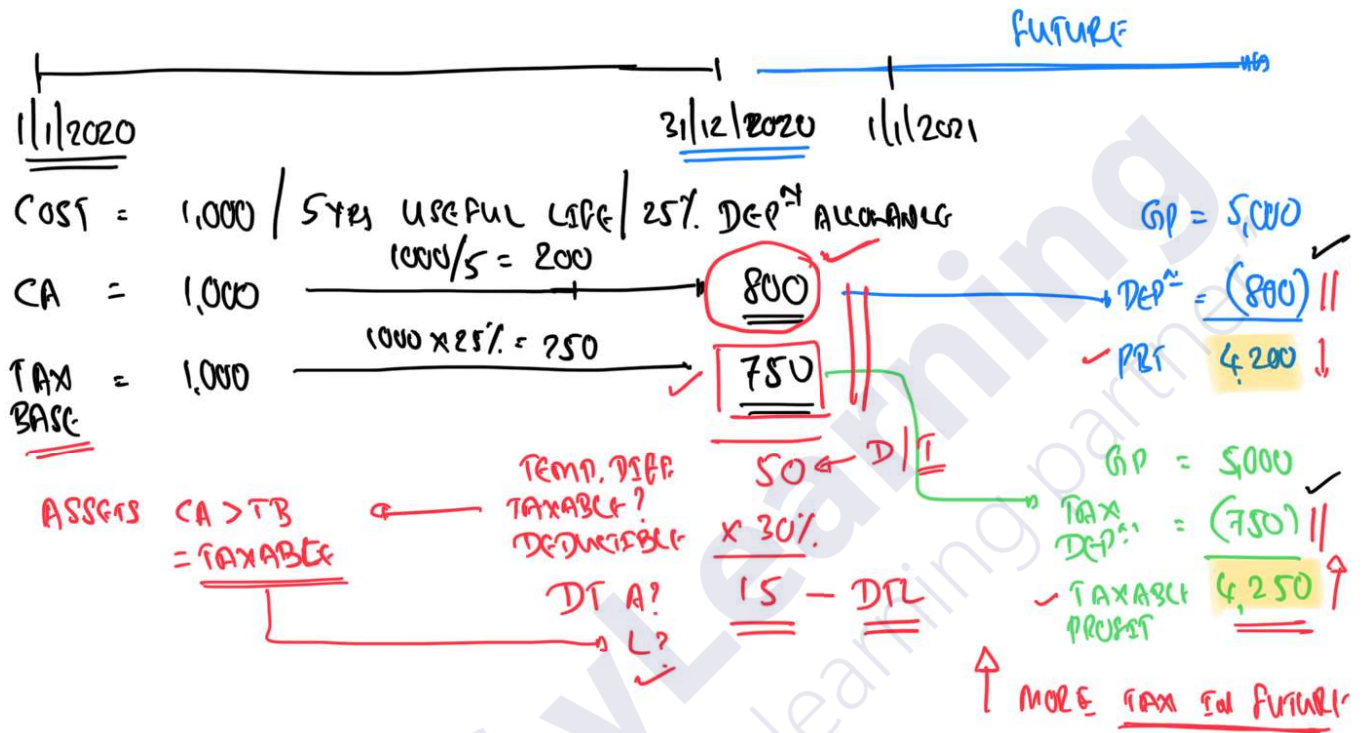


TAX BASE

ASSETS



TAX BASE

FOR ASSETS

FUTURE

CA RECOVERED — SALE
— USE

HOW MUCH CAN BE DEDUCTED FOR TAX?

FOR LIABILITIES

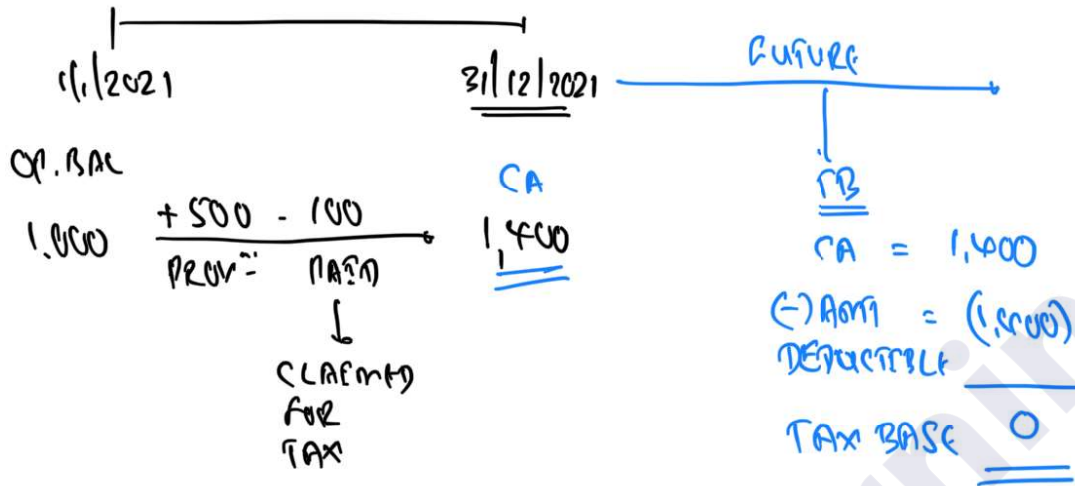
FUTURE

CA = xxx

(-) AMT DEDUCTIBLE (xx)
WHEN LIAB IS SETTLED

TAX BASE = xx

GA: PROV^N FOR DBO



DT CALCULATION

CA = 1,400

TB = 0

D/T/D 1,400 - TAXABLE OR DEDUCTIBLE

30%

DTA

420

CP	=	5,000
DBO	=	-
PBT	=	<u>5,000</u>

CP	=	5,000
DBO PAID	=	<u>(1,400)</u>
TAXABLE PROFIT	=	<u>3,600</u>

LESSER TAX TO BE PAID IN FUTURE



∴ ITS A DEDUCTIBLE TD

TAX RATE TO BE USED FOR DEF. TAX CALCULATIONS.

① TAX RATE CHANGE

CIT = 24% // FYE
 TP = 10%

FUTURE - CIT = 30%
 - TP = 10% } ENACTED OR SUBSTANTIVELY ENACTED

31/3/2022

IP CA = 1,500
 TB = 1,000
 TTD 500 → × 10% = 50 DTL

OTHER ITEMS

MARIGNOL: CA = 2,000
 TB = 1,300
 TTD 700 × 30% = 210 DTL

② MULTIPLE TAX RATES THAT ARE APPLICABLE

EXPORT SALES = 15% TAX RATE
 LOCAL SALES = 30% "

20,000 (20%)
84,000 (80%)
 SALES: 104,000

MACHINES = CA = 10,000
 TB = 8,000
 TTD 2,000

TAXABLE PROFITS 30,000

TAX RATE 27% — WEIGHTED AVG TAX RATE
 DTL 540 20,000 × 15% = 3,000

$$\frac{80,000 \times 30\%}{100,000} = \frac{24,000}{27,000}$$

$$\frac{27,000}{100,000} \times 100\% = \underline{\underline{27\%}}$$

WATR

$$15\% \times 20\% = 3\%$$

$$30\% \times 80\% = \frac{24\%}{\underline{\underline{27\%}}}$$

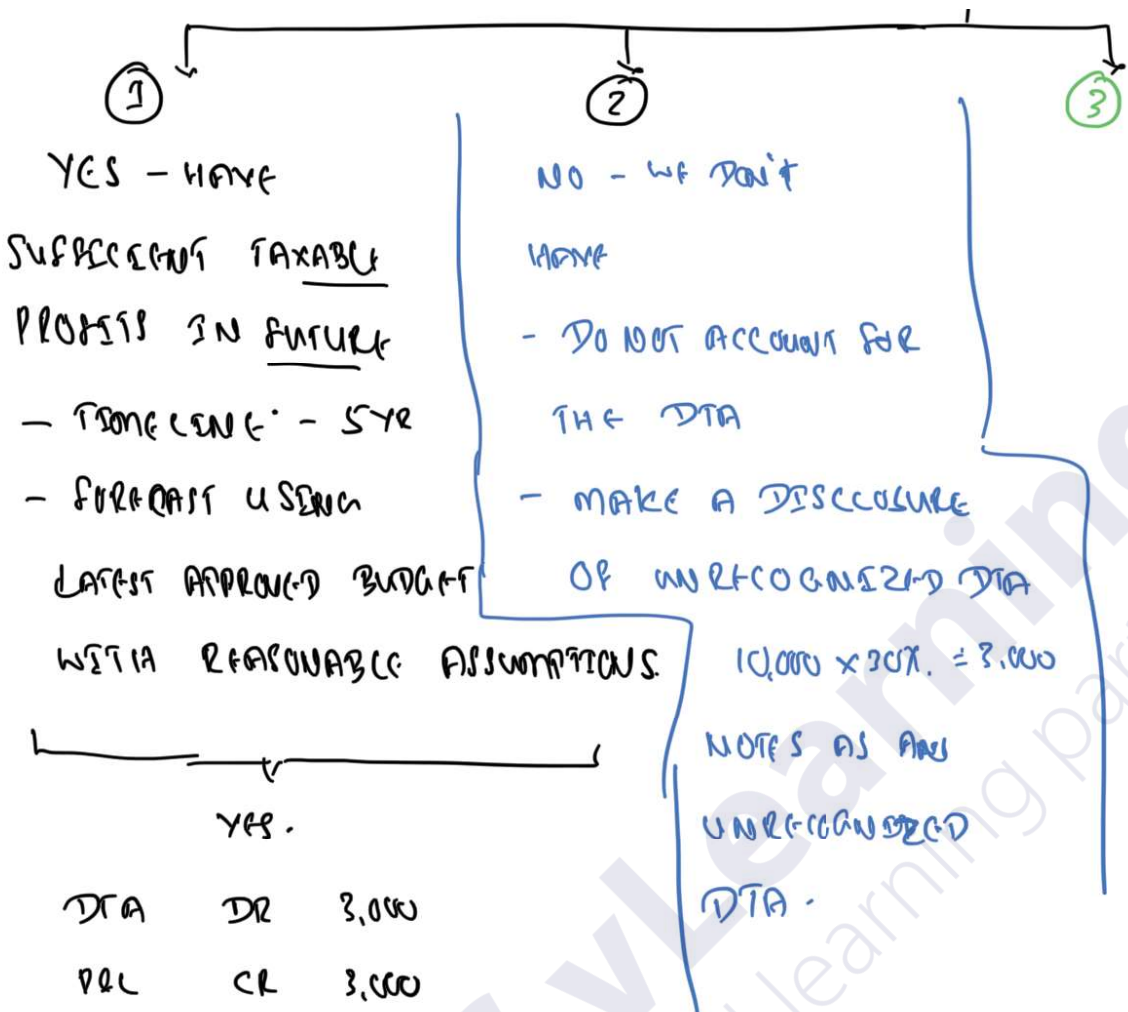
TAX LOSSES & DEFERRED TAX ASSETS (DTA)

21/3/2022

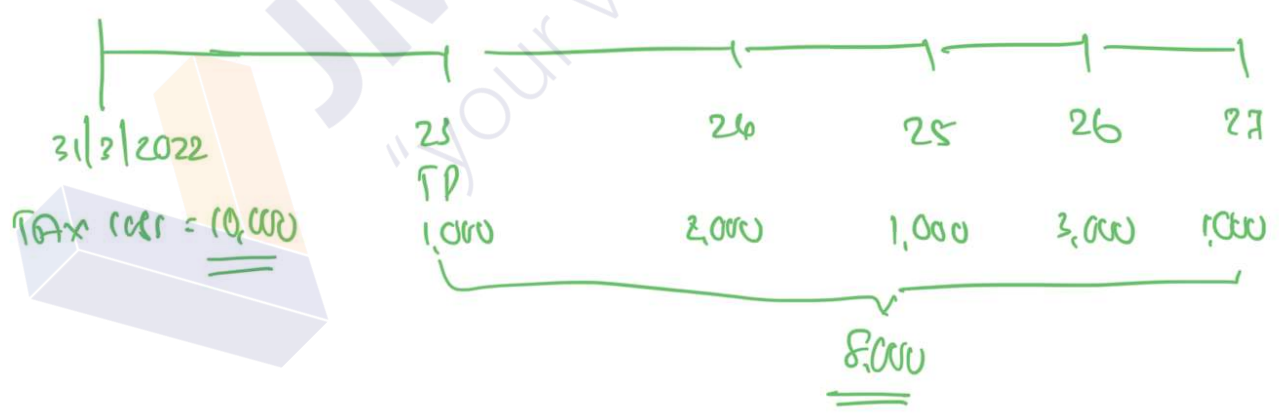
TAX LOSS	=	<u>10,000</u>	.
CA	=	0	
TB	=	<u>10,000</u>	
DTM		10,000	
TAX RATE		<u>30%</u>	
DTA		<u>3,000</u>	li

DTA	DR	3,000	} BEFORE ACCUMULATION
REL	CR	3,000	

- WILL THE ENTITY HAVE SUFFICIENT,
- ✓ - (I) TAXABLE FID
 - OR
 - ✓ - (II) FUTURE TAXABLE PROFITS
 - OR
 - (III) TAX PLANNING OPPORTUNITIES



③ PARTIAL RECOVERY OF TAX LOSS.



RECOGNIZED DTA = $5,000 \times 30\% = 1,500$ - DTA DR
PRC CR

UNRECOGNIZED DIA = 2,000 x 30% = 600 - DISCLOSED IN NOTES.

31/3/2022

	<u>CA</u>	<u>TB</u>	<u>T/D</u>
MACHINERY	5,000	4,000	(1,000)
DBO	500	-	500
PLANT	10,000	8,000	(2,000)
TAX C/S	-	10,000	10,000
NET DIA			7,500
			<u>30%</u>

NET DIA

2,250
↓
BEFORE ACCOUNTS

SUPPLEMENTARY
PROPERTY
PROFITS

SUPPLEMENTARY
TAX PLANNING
OPTIMIZATION.

