



MINISTERIO PLANO E FINANÇAS
AUTORIDADE TRIBUTARIA
DIREÇÃO NACIONAL DE GESTÃO DECLARATIVA, LIQUIDAÇÃO E COBRANÇA
Torre Ministerio Plano das Finanças RDTL, Avenida do Presidente de Nicolau Lobato, Aitarak Iaran, Dili
<https://www.mof.gov.tl/taxation/petroleum-tax/?lang=en>

**Production Sharing Contractors
2017 Annual Income Tax Return**

Taxpayer Name:	
Contact Name and Email Address:	
Postal Address:	
2017 Tax Return Reference Number:	
Taxpayer Identification Number (TIN) :	
Principal location of Worldwide business	
Date & Country of Incorporation	
Location of Company's primary books and records (City, State/Province, and country)	
PSC Number:	
Percentage Interest in PSC as at 12-31-2017:	
Percentage Change in PSC interest between 01/01-12/31 2017:	
Method of Accounting	
Did the company's method of accounting change from the preceding tax year, if yes, provide a written explanation as a separate attachment:	
Did the company's method of determining income change from the preceding tax year, if yes, provide a written explanation as a separate attachment	
Taxpayer Status: [Resident or Non-resident with P.E]	
Acreage Block Number and description of main activities in 2017:	
Will you be completing a tax return for the year commencing January 2017?	
	Yes
	No
	If 'No', give reason:

If applicable, why will you not file a tax return in 2017 ?

The legal or accounting interpretation of the issues listed below is not obvious and the contractor's opinion and or interpretation is attached (please attach separate detailed explanation if the space provided below is insufficient for the listed issues.

Issues of Law or Accounting Interpretation:

Contractor's Interpretation or opinion:

TAXPAYER'S DECLARATION:

Important: First check that all income and expense has been disclosed as per law and that the tax return is true and factually correct.

Under penalties of perjury, I (full name)

(designation)

declare under the penalty of perjury that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, accurate, correct and complete.

Signature:

Date:

(dd.mm.yyyy)

Section A : Gross Income and Joint Venture Expenditure			
Show all amounts in USD only -do not show cents		Line	USD \$
Gross Revenue			
+	Gross Revenue Crude Oil and Condensate	00	
+	Gross Revenue Gas	01	
+	Gross Revenue Liquids	02	
+	Other Income from Operators Joint Interest Report	03	
+	Contractors Individual Other Income (Details, including the nature of income, sources etc. are required to be attached separately)	04	
=	Total Gross Revenue [add Line 00 - 04]	05	
Change in inventory and Over/Underlift			
+/-	Opening Stock -Value of Inventory and Over/Underlift (please attach details)	10	
+/-	Closing Stock - Value of Inventory and Over/Underlift (please attach details)	11	
	Method used for valuing closing inventory?		
	Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "yes,"attach explanation.		
=	Net Value change in Inventory and Over/Underlift [11 less Line 10]	15	
Joint Venture Expenditure from Operators Joint Interest Report:			
-	Exploration Expenditures	20	
-	Development Expenditure	21	
-	Operations Expenditure	22	
-	Financial Expenditure	23	
-	Other Expenditure connected with the amount shown in Line 5 (Please provide details in separate attachment)	24	
-	LNG Pipeline Fees (If the fees were paid to a related party* in whole or in part please provide a copy of any independent study confirming that the fees were at arm's-length)	25	
=	Total JV Expenditure from Operators Joint Interest Report [add Lines 20 - 25]	30	
Tax Adjustments to JV Revenue and Expenses			
+	Non-deductible provisions or expenditures - Please provide details in a separate attachment	40	
+/-	Other tax adjustments to JV revenue or expenses - Please provide details in a separate attachment.	41	
=	Total Adjustment for Joint Venture Revenue and Expenses [add Lines 40 - 41]	45	
Tax Capitalization of Joint Venture Expenditure:			
+	Capitalized for Tax Depreciation- Joint Venture Development Expenditure from Operator Joint Interest Report (The Operator must provide a copy of Joint Interest Report as a separate attachment)	50	
+	Capitalized for Tax Amortization- Joint Venture Exploration Expenditure from Operator Joint Interest Report	51	
=	Joint Venture Expenditure Capitalized for Tax Purposes [add line 50 and 51]	55	
Section B : Contractors Individual Expenses			
Contractors Individual Expenditure			
	Compensation of Officers and Directors	59	
	Tax Deductible Salaries, Wages, Remunerations, Gifts, and Awards, other than the sum shown on Line 59	60	
-	Rent of Property including Land & Buildings	61	
-	Repairs & Maintenance (Other than capitalized repair costs) Repair costs extending the life of the asset or increasing the value of the asset must be capitalized.	62	
-	Consulting Services (Please provide details in a separate attachment).	63	
-	Expenditure for Other Services (Please attach the details)	64	
-	Research & Development Expenditure	65	
-	Allocated Head Office Expenditures (Executive, Management fees or general Administration Expenditures reimbursed to a related party). For Annex F Contractors, please provide information and documents specified in KEP-62/PJ/1995 as a separate attachment.	66	
-	Royalties (Please provide details in a separate attachment)	67	
-	LNG Processing Fees (Please provide details in a separate attachment)	68	
-	Scholarship, Apprenticeship & Training Costs	69	
-	Tax Deductible Interest, Premiums, Discounts and Guarantee Fees (Please provide details in a separate attachment)	72	
-	Tax Deductible Foreign Currency Exchange Losses (Please provide details in a separate attachment)	73	
-	Tax Deductible Bad Debts	74	
-	Decommissioning Provisions/Expenditure (please attach detail calculations and a copy of the Designated Authority's (ANP) approval regarding decommissioning provision)	75	
-	Other Expenditure (Please provide details and a narrative of the nexus to the amount claimed and shown on Line 5)	76	
-	Other Tax Adjustments (Non-deductible Costs etc - please attach details)	77	
=	Contractors Total Individual Expenditure [add Line 60 - 77]	100	
+	Contractors Individual Expenditure Capitalized for Tax Purposes	110	

Section C: Depreciation and Amortization		
Depreciation and Amortization:		
2014 Tax Deductible Depreciation (Attach a separate detailed calculation)	120	
2014 Tax Deductible Amortization of Intangibles (Attach a separate detailed calculation)	121	
Total Depreciation & Amortization [add Line 120 and 121]	125	
Depreciation Schedules: (Please attach separate schedules with following details)		
Opening balance as at 01/01/2016; Total cost of new additions in 2016; Description of new additions including classes of assets; Dispositions and receipts; Insurance proceeds must be exhibited separately.		
I. For Bayu-Undan Taxpayers		
A : Depreciation on Immovable Assets placed in service during 2016:		
Name of the Immovable Asset, Useful life (4 years or less/ more than 4 years), Recovery period, Dep. Method, Dep. Rate, Depreciation deduction, Closing Balance as at 12/31/2016		
B: Amortization of Intangible Assets during 2016:		
Name of the Intangible Assets, Useful life (4 years or less/ more than 4 years), Recovery period, Amortization Rate, Amortization deduction, Closing Balance as at 12/31/2016		
C : Depreciation of Movable Assets placed in service during 2016:		
Name of the Movable Assets, Useful life (4 years/ 8 years/16 years/20 years), Recovery period, Dep. Method, Dep. Rate, Depreciation deduction, Closing Balance as at 12/31/2016		
II. For Greater Sunrise Taxpayers		
A: Depreciation of Tangible Assets (other than buildings) placed in service during 2016:		
Name of the Tangible Assets, Useful life (4 years/ 8 years/16 years/20 years), Recovery period, Dep. Method, Dep. Rate, Depreciation deduction, Closing Balance as at 12/31/2016		
B : Amortization of Intangible Assets during 2014:		
Name of the Intangible Assets, Useful life (4 years/ 8 years/16 years/20 years), Recovery period, Amortization Method, Amortization Rate, Amortization deduction, Closing Balance as at 12/31/2014		
C: Depreciation on Permanent Building (5%), and Non-permanent Building (10%)		
III. For other taxpayers		
A: Amortization of Exploration Expenditure (deductible only from the year of commercial production) :		
Useful life (5 years or project life whichever is less), Amortization Method (Straight Line), Amortization Rate (12.5%), Amortization deduction, Closing Balance as at 12/31/2016		
B: Amortization of Development Expenditure (deductible only from the year of commercial production) :		
Useful life (10 years or project life whichever is less), Amortization Method (Straight Line), Amortization Rate (6.25%), Amortization deduction, Closing Balance as at 31/12/2016		
C: Depreciation on Permanent Building (5%), and Non-permanent Building (10%) (deductible only from the year of commercial production)		
D: Depreciation on other assets (deductible only from the year of commercial production) :		
Name of the Asset, Useful life (1-4 years/ 5-8 years/ 9 years or more), Depreciation Method, Dep. Rate, Depreciation deduction, Closing Balance as at 31/12/2016		
E: Small Field Depreciation under Unit of Production Method (deductible only from the year of commercial production)		
Opening Balance of WDV, Production/Reserve Factor, Depreciation deduction, Closing Balance as at 12/31/2016		
Section D : Calculation of Taxable Income /Loss		
Total Gross Revenue	[Copy Line-05]	05
Net Value change in Inventory and Over/Underlift	[Copy Line-15]	15
Total JV Expenditure from Operators Joint Interest Report	[Copy Line-30]	30
Total Adjustment for Joint Venture Revenue and Expenses	[Copy Line-45]	45
Joint Venture Expenditure Capitalized for Tax Purposes	[Copy Line- 55]	55
Contractors Total Individual Expenditure	[Copy Line-100]	100
Contractors Ind. Expenditure Capitalized for Tax Purposes	[Copy Line-110]	110
Total Tax Deductible Depreciation & Amortization	[Copy Line 125]	125
Income/Loss before JPDA reduction	[Add Line 05 - Line 125]	130
10% reduction for JPDA Contractors	[10% of Line 130, if in JPDA]	135
Income/Loss after JPDA reduction	[Deduct Line 135 from Line 130]	140
APT paid during 2016		145
2016 Taxable Income/Loss after APTdeduction	[Deduct Line 145 from Line 140]	150
Additional separate Attachments: The following documents are required to be attached with this information return form:		
1. 2014 Balance Sheet , Income Statement and a reconciliation of Income\Loss per Books with Income per Income tax Return		
2. 2014 PSC Return to Tax reconciliation for 2016		
3. PSC operators are required to attach the Joint billing statements		
4. Statement of related party transactions with name(s) of the affiliated companies, expense/income type and amount of such related** party transactions, contemporaneous documentation, transfer pricing setting process, including the verification of reported transactions against arm's length standard, business and economic analysis, date of last review and updates etc. Are there any material changes in 2016 tax year? Are material changes considered and reflected in any new study? If yes, please attach the latest study reflecting the material changes in 2016. A transfer pricing study is required to be exhibited to this return for any related party transaction exceeding US\$500,000 in the aggregate from Petroleum related Operations and or Petroleum Agreements for the 2016 tax year.		
5. Note: All the required attachments /information must be provided. If any of the required documents /information is not attached/provided, the Annual Income Tax Form will be considered incomplete and will not be reviewed.		

2014 Reconciliation between Taxable Income and Accounts (If space is insufficient, please attach separate reconciliation)**2014 Taxable Income/Loss**

Add Non-taxable Income

Add Depreciation for Tax Purposes

Add Capitalization for Tax Purposes

Subtract Non-deductible Expenses

Subtract Depreciation for Accounting Purposes

Subtract Capitalization for Accounting Purposes

Add or Subtract other differences between Tax and Accounting

2014 Profit/Loss in Income Statement

Section E : Calculation of 2016 Income Tax Payable/ Overpayment of Tax**2016 Taxable Income/Loss before adjusting carry forward losses** [Copy Line 150]

150

Loss carried forward from 2016

155

Total losses to carry forward to 2016

160

Income subject to Income Tax

170

Income Tax Payable [Line 170 multiplied by 30% Tax Rate]

175

Non-final WHT withheld (attach WHT Certificates issued by Payers)

180

Foreign Tax Credits

185

Instalments paid (please attach details)

190

Tax Refund due in last year (if not refunded by the date of submission of this return)

195

Total [Add Line 180, 185, 190 and 195]

200

Tax due [subtract Line 200 from Line 175]

205

Overpayment of Tax [If Line 200 > Line 175, subtract Line 175 from Line 200]

210

*For the purposes of Line 25 ONLY, a "related party" is defined to mean relationship by common ownership and or business relationship as a Contractor in a PSC within the JPDA, including associates, venturer or investing party.

**For the purposes of Line 4 of the Additional Separate Attachments, a "related party" is defined to mean: enterprises that are directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the enterprise making this information return, and includes holding companies, subsidiaries and fellow subsidiaries.

Electronic payment of annual residual IT to Timor-Leste Petroleum Fund Bank Account

Account Name: Banking & Payment Authority of East Timor - Petroleum Fund Account; A/C Number: 021080973)

Bank: The Federal Reserve Bank of New York; SWIFT Code: FRNYUS33; Bank Address: 33 Liberty Street, New York 10045

Date of Payment [dd.mm.yyyy]

USD

Residual Income Tax Paid [Should be the same as the Amount at Line 205 above]

215

Note: Penalties would apply to payments made after the due date

