



**IMPROVING THE LIFE OF SOLOMON ISLANDERS**  
Inland Revenue Division Solomon Islands

# A Guide To Putting Your Tax Affairs Right

Inland Revenue has increased its focus on identifying cases of tax evasion. If you've made a mistake or filed an incorrect tax return, it's best to tell Inland Revenue about it rather than it be identified by an audit of your tax affairs.

This guide is intended for company and business taxpayers. It advises you on how to tell Inland Revenue what is currently wrong about your tax affairs.

## Your Tax Obligations

Company and business persons have an obligation to manage their tax affairs and pay tax according to the requirements of the law. Your obligations include the requirement to:

- Register for the taxes you are liable for
- File accurate returns on the dates they are due
- Pay the full amount of tax on the date it is due
- Keep accurate financial records
- Deduct the right amount of PAYE and withholding taxes

## Meeting Your Tax Obligations

Inland Revenue is keen to help people meet their tax obligations. We have a number of guides available and our website [www.ird.gov.sb](http://www.ird.gov.sb) provides information. You can talk to our Small Business Advisory staff by phone on 21493 or by visiting our offices.

To check that people and businesses are meeting their obligations Inland Revenue conducts audits and investigations. Our *Guide to Audits* has more information about audits and how they work.

Tax evaders who Inland Revenue identify, can expect to be prosecuted and have substantial monetary penalties imposed against them.

## Tell Inland Revenue what is wrong

Oversights and mistakes like addition errors in returns can be corrected simply by advising or contacting Inland Revenue.

In other cases you can tell Inland Revenue what is wrong by making a voluntary disclosure.

A voluntary disclosure is when you tell us what is wrong with your tax affairs before we begin an audit. A disclosure may involve such things as:

- Not being registered in the tax system
- Returns not filed
- Income omitted from a tax return
- Incorrectly claimed expenses

## Why make a voluntary disclosure

If you make a voluntary disclosure that is full and complete, you will not be prosecuted in respect of the matter.

You will still be required to pay any outstanding taxes resulting from the disclosure. Favourable consideration will be made to a request for a payment arrangement.

Where applicable, late payment penalties and late filing fees will be charged. The imposition of additional penalty taxes will be considered on a case by case basis.

## How to make a voluntary disclosure

You can make a voluntary disclosure by completing and signing the form on the back of this guide. Send or bring the form into the Inland Revenue offices. We will want to discuss the disclosure with you.

If you don't have all the information needed to work out your taxes, you can still make a voluntary disclosure. Tell us as much as you can and state that there is more information to come.

You can also get help with your voluntary disclosure from an accountant or other qualified person.

