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**Column 213** Enter value of exempt amounts/gains and profit distributed (for the whole year of assessment) by the partnership to each partner.

**Column 213A** Declare the nature of the exempt income which is discourse in the Coolum 213.

## **3. SCHEDULE 3: Tax Paid on Partnership Income**

This Schedule consists of seven sub schedules namely; 3A, 3B and 3C.

### **3.1 SCHEDULE 3A: Details of capital Gains Tax**

**Column 214** : Enter date of realization of capital assets in the column 214.

**Column 215 and 216** : Enter payment date of Capital Gain Tax paid at the rate of 10% on gain on realization of investment assets by the partnership during the year of assessment and amount paid in the column 215 and 216 respectively.

### **3.2 SCHEDULE 3B: Details of Advance Income Tax (AIT) deducted by the Agent**

Enter details of each AIT payment of which AIT has been deducted by the agent, in given row under Colum 217 to 222. Enter total AIT deducted in Cage 222.5

### **3.3 SCHEDULE 3C: Self Assessed Tax Payment (other than CG)**

Enter instalment payments and final payments dates and amount paid in given rows. Total of cage 228.2 need to enter in to cage 236 of the schedule.

#### **4. SCHEDULE 4: Calculation of Taxable Income, Tax Liability and Tax Credits**

Schedule 4A and 4B is facilitate to calculate Taxable income, tax liability and Tax credit available to partnership.

##### **4.1 SCHEDULE 4A: Calculation of Taxable Income and Tax liability**

###### **- Partnership Taxable Income**

Enter Partnership Income (other than gains from the realization of investment) in to Cage 229. Partnerships are entitled to Rs. 1,000,000 relief per annum. The balance taxable income is liable to pay income tax at the rate of 6%.

###### **- Tax on persons who engaged in agro farming together with agro processing or manufacturing**

The persons who are engaged in agro farming together with agro processing of manufacturing business activity in Sri Lanka is entitle to 25% reduction from the portion of tax payable related to such activity for five years from the year of assessment 2020/2021.

Calculate total partnership tax and proportionate tax payable amount related to agro farming business using appropriate basis and enter in to cage 232.B.1. Calculate 25% tax reduction amount and declare such amount in cage 232.B.3.

- Tax on gain from the Realization of Investment Asset.

Enter total gains from the realization of Investment Asset in to Cage 233 and apply 10% tax rate to calculate tax liability.

## **4.2 SCHEDULE 4B: Tax Credit**

Available tax credits could be entered in Cages given.

- **Foreign Tax Credit (Cage 234)**

If entitled to any foreign tax relief including foreign tax credit under Double Tax Avoidance Agreement, enter such amount in Cage 234 of Schedule 4B. Foreign tax credit cannot be more than the amount of tax chargeable under the domestic law on such income.

- **Tax paid on Gain from the realization of Investment Assets (Cage 235)**

Enter total tax paid for the Year of Assessment 2021/2022 on gain from the realization of Investment Assets in to Cage 235. (Amount in cage 216.5 of Schedule 3A)

- **Advance Income Tax (Cage 236)**

Allocate total deducted AIT amount by the Agent to cage 236.

- **Self-Assessed Tax payment (Cage 237)**

Enter aggregated amount of four instalments and final payment in Cage 228.2 of the schedule 3C.

**Enter total tax credit in Cage 238 in to Cage 110 of the main Return.**

## **5. Allocation of Tax payment, Qualifying payments and Advance Income tax to Partners**

### **5.1 SCHEDULE 5A: Instalment Payments and Capital Gains Tax**

**Column 239** : Allocate aggregate amount instalment payment and final payment paid by partnership to each partner. Total of column 239 should equal to total of cage 228.2 of the schedule 3C.

**Column 240** : Allocate total Capital gains tax paid by the partnership to each partner. Total of column 240 should equal to total of 216.5 of the schedule 3A.

Instalment payment paid by the partnership on partnership income shall be allocated to partners. However, partners are not entitled to a refund on any excess of such share of tax allocated to partner and instead partners entitled to claim as tax credit only in next year of assessment.

### **5.2 SCHEDULE 5B: Qualifying Payments and Advance Income Tax (AIT)**

**Column 241** : Allocate aggregate qualifying payment which is paid by the partnership to the partners.

**Column 242** Allocate deducted Advance Income Tax among the partners. Total of column 242 should equal to total of cage 222.5 of the schedule 3B.

## **6. SCHEDULE 6: Details of Partnership loss Adjustment**

Enter details of business, investment and exempt losses for the year of assessment 2021/2022 using Cage 243.2, 244.2 and 245.2 respectively. Enter deductible loss from the Year of Assessment 2021/2022 from each source of income of the partnership using Schedule 06.

## **7. SCHEDULE 7: Details of Partnership Business**

Use Cage 246 to 253 to declare particulars using Profit and Loss accounts and use Cage 254 to 260 Balance Sheet of the Partnership.

