

Tax Reconciliation Statement For Corporations

Company Name:	Sample ABC Corporation	Financial Year:	2023-2024
Tax Identification Number:	1234567890	Date:	2024-04-15
Prepared By:	John Doe	Designation:	Finance Manager

A. CALCULATION OF ACCOUNTING PROFIT

Net Profit as per Profit & Loss Account	â,¹ 5,000,000
Add / Less: Items not allowable/allowable under tax laws	
Add: Disallowed Expenses (e.g., Donations not eligible)	+ â,¹ 150,000
Add: Depreciation as per books	+ â,¹ 350,000
Less: Depreciation as per Tax Act	- â,¹ 450,000
Less: Exempt Income	- â,¹ 75,000
Total (Taxable Income)	â,¹ 4,975,000

B. INCOME TAX LIABILITY COMPUTATION

Taxable Income	â,¹ 4,975,000
Applicable Tax Rate	25%
Calculated Tax Payable	â,¹ 1,243,750
Add: Surcharge & Cess	â,¹ 49,750
Total Tax Payable	â,¹ 1,293,500
Less: Advance Tax Paid / TDS	â,¹ 1,150,000
Net Tax Payable / (Refundable)	â,¹ 143,500

C. IMPORTANT NOTES

- This statement provides a reconciliation between accounting profit and taxable profit, as per applicable tax laws.
- Always refer to the latest tax provisions for allowable and disallowable items to ensure accurate reporting.
- Supporting schedules and documentation should be maintained for all adjusting items in the reconciliation.
- The statement should be signed off by an authorized person and kept on record for tax audits and assessments.