

Check list

- ☑ You need to be able to show copy of all primary document to substantiate your transactions.
- ☑ Most expenses you incur may require a valid tax invoice
- ☑ Utilise a simple journal to record your income and expenses
- ☑ Report all your income

Seychelles Revenue Commission Information Brochure On record keeping

For more information

This brochure is not intended as an exhaustive explanation of the law. If you require detailed information about your tax obligations you should visit the SRC or write to us.

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Record Keeping



An explanation about record keeping

Why keep records?

The law requires you to keep records as proof of income, expenses and other transactions your business may have. Without proper records you may be liable to additional tax if audited by the SRC.

Types of records to be kept?

The principal record keeping rule is to have an audit trail that can substantiate your self assessed monthly Business Activity Statements (BAS) and your annual Tax Return.

We recommend that you focus on the following:

- Stock Purchased (Valid Tax Invoices)
- Expenses paid (Valid Tax Invoices)
- Sales or revenue earned
- Assets acquired (Valid Tax Invoices)
- Any money being paid out of the business for private use

To summarise and collate these source documents we recommend that you keep a “cash receipt” journal.

You can purchase a cash receipt journal from any stationary shop.

Specific items for keeping records

Assets: You must keep records if you depreciate assets. Without supporting documentation, depreciation expenses may be disallowed. We recommend you use an “asset register” and/or a “depreciation schedule”. A Tax Agent should be able to assist.

Stock: It is normally recorded at cost price. You require a valid tax invoice for purchases over SR5,000.

Motor Vehicle Expenses: The most effective way of showing your motor vehicle records is the use of a “vehicle log book” and must contain enough information to verify the use of the vehicle for both business and pri-

Goods for Own Use: Goods taken out of the business stock for personal or family consumption should be properly recorded. You can not claim the value of these items as allowable deductions.

Drawings: It is an amount taken by a sole trader from his or her business. Proper recording of the sum drawn out should be kept.

Travelling Expenses : Deduction is allowed if they are necessary for gaining assessable income. Any private component of a business trip will need to be recorded. You may need records to substantiate you are on a business trip. Diary entries, tickets to trade shows etc., may be acceptable.

Entertainment Expenses: Must be verified by recording the nature of the expense and how the expense was incurred in gaining assessable income. Entertaining staff may attract additional tax liability.

Gifts: Over SR20 to a charity or other institution approved by the Minister of Finance is an allowable deduction.

Bad debt: It can be claimed after a period of 12 months. You must show records that you have tried to recover the debt. Debts that are recovered after an expense is claimed must be added to assessable income.