

Ministry Of Finance Income Tax Board of Review



In February 2017, the Income Tax Board of Review (ITBOR) was established under the Income Tax Act, Chapter 35. The ITBOR has been formed specifically to serve the interest of Companies that are subjected to corporate tax under the Companies Act with the aim to facilitate the administration and operation of taxation in Brunei Darussalam.

The ITBOR is an independent board consisting of a Chairperson and other qualified members representing industries appointed by the Government to consider and review appeal cases made by the taxpayers against the assessment of Corporate Income Tax made by the Collector of Income Tax (CIT).

ITBOR introduces a new process of hearing, examining and settlement of objection cases from companies against the CIT assessment. It will create a cost-effective, transparent and fair system of administration of corporate tax. It is also hoped that the establishment of the ITBOR will expedite settlement of the appeal cases brought forward to the Board. The process of corporate tax assessment in Brunei Darussalam begins when a company files its annual Income Tax Returns to the Revenue Division. The Revenue Division, reports to the CIT, and is the main agency in Brunei Darussalam responsible for the implementation and administration of corporate income tax. Since the introduction of self-assessment using the online tax system (STARS) in 2012, taxpayers are required to submit their Income Tax Returns to the Revenue Division annually on 30th of June. Tax Assessment Officers from the Revenue Division, on behalf of the CIT will assess the returns which would then issue either a Notice of Assessment (NOA) or a Loss Confirmation

(LC). It is the taxpayers' responsibilities, notwithstanding any objection or appeal, to proceed with the payment of Income Tax within 30 days after the NOA has been served.

Taxpayers may object to these assessments, and file a Notice of Objection (NOO) to the CIT. The CIT will review the assessment and accepts or rejects the NOO. This cycle may repeat until CIT determines that the reassessment is final and issues a Notice of Refusal to Amend.

Taxpayers are able to lodge their cases to be reviewed by the Board, within 30 days of the CIT's issuance of the Notice of Refusal to Amend. The first step is to file the Notice of Petition for Review (Form 1) to the ITBOR, and after that, within 30 days from the filing of the Notice of Petition for Review, file a Petition for Review (Form 2). These forms are available from the Ministry of Finance website at www.mof.gov.bn. After all the documents have been filed, a pre-trial conference between the taxpayer and the CIT will be scheduled, and this would be followed by a hearing with the ITBOR where the Board would then proceed to make their decision regarding their appeal cases.

Companies can now present their appeal by writing to the Secretary of Income Tax Board of Review, Income Tax Board of Review office at Level 4, Ministry of Finance Building, Commonwealth Drive, Jalan Kebangsaan BB3910, Brunei Darussalam with a fee of BND\$200 chargeable for each appeal.

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