

## Appendix A1: Tax Year 2020 Tax Liability Calculation

### Sole Trader

Use this appendix to calculate the total tax liability of the business to be paid. Attach this appendix to the return.

1) Enter the **Net Chargeable** income from Line 70 of the return: \_\_\_\_\_

If the net chargeable income is \$42,000 or less, complete column A only.

If the net chargeable income is more than \$42,000 but less than \$186,000, complete column B only.

If the net chargeable income is more than \$186,000, complete column C only.

No.	If the amount on line 1 above is:	(A) \$42,000 or less	(B) More than \$42,000 but less than \$186,000	(C) More than \$186,000
2	Enter Registration fee paid			
3	Enter the amount from Line 1 above:			
4	Base amount:	0	42,000	186,000
5	Line 3 minus Line 4 (cannot be negative)			
6	Rate	0%	8%	25%
7	Multiply the amount on line 5 by the rate on line 6			
8	Tax on base amount	0	0	11,520
9	Add lines 7 and 8			
10	If Line 9 is < Line 2 then enter the amount on line 2. If Line 9 is > Line 2 then enter the amount on Line 9		0	

2) Report the amount on line 10 of the column corresponding to the Tax Liability before tax paid by Instalments on line 80 of the return.

**Example:** (1) Net Chargeable Income **100,000**

If the net chargeable income is \$42,000 or less, complete column A only.

If the net chargeable income is more than \$42,000 but less than \$186,000, complete column B only.

If the net chargeable income is more than \$186,000, complete column C only.

No.	If the amount on line 1 above is:	(A) \$42,000 or less	(B) More than \$42,000 but less than \$186,000	(C) More than \$186,000
2	Enter Registration fee paid		200	
3	Enter the amount from Line 1 above:		100,000	
4	Base amount:	0	42,000	186,000
5	Line 3 minus Line 4 (cannot be negative)		58,000	
6	Rate	0%	8%	25%
7	Multiply the amount on line 5 by the rate on line 6		4,640	
8	Tax on base amount	0	0	11,520
9	Add lines 7 and 8		4,640	
10	If Line 8 is < Line 2 then enter the amount on line 2. If Line 8 is > Line 2 then enter the amount on Line 8		4,640	

The amount from line 10, or **\$4,640** would be reported on line 80