Time limits for adjusting tax returns to reflect TP adjustments

Under section 23(11) of the Taxes and Duties Act, the SRS may conduct a **TP audit within five years** after the due date for CIT payment, i.e. check whether the price is arm's length, adjust the tax return, and impose a penalty.

Under section 16(1)(6) of the Taxes and Duties Act, **a taxpayer** who discovers new facts may file with the SRS a request for adjusting a tax return **within five years** after the due date for paying a particular tax if the tax return adjustment follows from a TP adjustment.

Under section 3(2) of the CIT Act, the tax period is a calendar month. Under section 17(7) of the CIT Act, the taxpayer should pay a tax assessment to the government on or before the 20th day of the following tax period.

Section 8 of the CIT Act permits the taxpayer to adjust the tax return for the last month of the financial year before filing the financial statements, free of late fees prescribed by the Taxes and Duties Act. For example, given the five-year limitation for adjusting the CIT return, a tax return for December 2018 filed on 20 January 2019 may be examined and adjusted by the SRS up to 20 January 2024.