

## **Income Tax & Additional Petroleum Tax Regulations - Consulting Services**

---

### **Request for Bids in support of the National Directorate of Petroleum Revenue to write:**

- 1. Regulations for Chapter IX of the Taxes and Duties (TDA); and**
- 2. Regulations for the Taxation of Bayu-Undan Contractors Act (TBUCA)**

The National Directorate of Petroleum Revenue (NDPR) is the Timor-Leste's governmental agency charged with the statutory responsibility for the enforcement of petroleum revenue laws, including the collection of petroleum revenues and periodic tax audit of the Contractors and Subcontractors of petroleum operations in Timor-Leste's exclusive areas and in the Joint Petroleum Development Area (JPDA). The NDPR was established pursuant to the Decree Law No. 9/2009.

The primary objective of the project is to support the mission of the NDPR in providing clarity and certainty in the tax laws governing the oil and gas industry in the Joint Production Development Area (JPDA) and the Timor-Leste Exclusive area.

The NDPR invites Expression of interests and bids from suitably qualified and experienced international law firms and or accounting firms with demonstrable experience in writing tax regulations for the petroleum and or mining industries.

The selected firm or combination of firms is or are expected to provide professional and accurate interpretation of the affected laws (TDA and TBUCA), write interpretative regulations to provide:

- clarity and reflect the tax policies as contained in the TDA and TBUCA; and
- Consistent with the understanding of the interested parties when the existing Production Sharing Contracts (PSCs) were negotiated.

Furthermore, the selected firm or firms will be required to provide new regulations for the computation of income tax, allowable deductions, Supplemental Petroleum Tax (SPT) etc. that are consistent with the understanding of the parties when the PSC governing the Kitan project was granted by the Designated Authority.

### **SCOPE OF WORK**

1. Review part IX of the TDA & TBUCA
2. Prepare interpretative regulations for the substantive provisions of part IX of the TDA, including the computation of income tax, depreciation rules, related party transactions and rules, allowable deductions, deductible interest, withholding tax rules, deductible Head Office expenditures, Decommissioning reserves, foreign currency gains, computation of SPT etc.
3. Prepare interpretative regulations for the substantive provisions of the TBUCA

### **QUALIFICATIONS**

The selected firm will be required to show:

1. Strong understanding of the oil/gas/mining laws
2. Demonstrable experience in writing tax regulations in the oil/gas/mining industry
3. Demonstrable experience of Timor-Leste petroleum taxation laws
4. Expertise on Transfer pricing-related issues
5. Experience in International tax/Withholding tax issues

## **SELECTION CRITERIA**

Interested firms are requested to provide the following information in their EOI and Bid package:

1. A corporate profile including the date they were established, the range of services they provide, their size, indicating the number of staff carrying out each kind of service
2. A description confirming their capacity to perform the scope of work, listing previous similar assignments they have performed over the past five (5) years indicating the approximate size and location where it took place and giving names and references
3. Representative CVs of key staff likely to be available for the assignment indicating their skills and qualifications
4. Proposed Methodology
5. Work program timeline
6. Statement declaring whether they are in any potential conflict of interest situation
7. Firm and detailed Quotation for the consulting services.

## **SUBMISSION**

Qualified firms that meet the above requirements are invited to submit the requested information above and the bid package to:

**A. By hand or courier and marked ‘Confidential’ for the attention of:**

Ms. Monica da Cruz Rangel

NDPR, National Director

Ministry of Finance, Ground Floor, Palacio do Governo

Building No. 5

Dili, Timor Leste

Or

**B. Attachments** (if submitted via email) indicating **DO NOT OPEN IN ADVANCE** to:

[mrangel@mof.gov.tl](mailto:mrangel@mof.gov.tl), cc: [Coliveira@mof.gov.tl](mailto:Coliveira@mof.gov.tl); [Scardoso@mof.gov.tl](mailto:Scardoso@mof.gov.tl)

## **CLOSING DATE**

*The closing date is February 29, 2012. Late bids will not be considered.*

## **FOR FURTHER INFORMATION & CLARIFICATIONS**

**Contact: Mr. Bobby Boye:** [bboye@mof.gov.tl](mailto:bboye@mof.gov.tl)

The Successful candidate will be contacted as soon as selection process is completed.