



Accountants &
business advisers

PKF Jordan and PKF Iraq

PKF ProGroup
PKF Khattab & Co.
PKF Planning Tax Advisory
PKF Human Resource Consulting
PKF Risk Management

Newsletter

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Regulation Number (156) for the Year 2019 Amending the Tax Returns, Records, Documents and Profit Percentages Regulation

- ❖ **Article 2** of the amendment exempted, through executive regulations, the persons or bodies who are exempt or not subject to income tax from submitting tax returns.
- ❖ **Article 3** set, for tax calculation purposes, a new net profit rate of not less than 10% of the due or received revenues as required for the construction contracting sector. But the other sectors (housing sector, offices and engineering companies) remained subject to 25% to 40% of the gross profits of the due revenues.
- ❖ The amended regulation added **additional articles**:
 - Now the **public shareholding companies and private shareholding companies** are excluded from calculating income tax on dividends arising from selling stocks or corporate shares and dividends from the sale of the natural persons' stocks, whether they are residents or not, according to specific percentages ranging from (0.5%) to (5%).
 - In the event the tax payers who are subject to the aforementioned percentages did not want to be subject to them, they can calculate income tax according to the audited financial statements of the companies whose stocks or shares are sold.



- The regulation set **the income tax rate imposed on the investor who is registered in the free zone** to do a business activity at 0.002 of the value of the goods stored in the investor's warehouses for each assignment or sale. But the regulation emphasized that the tax amount should not be less than 50 Jordanian Dinars in this case.
- The regulation also set **the income tax rate of the deposit a person does in the free zone** as a result of a business activity at 0.004 of the value of the goods for each assignment or sale. But the regulation emphasized that the tax amount should not be less than 50 Jordanian Dinars in this case.
- The regulation **excluded from income tax** the income from the transit activity of the institution registered in the free zones and which engage in transit activity only.
- An amount of 800 files was approved for each **customs' clearance transaction** as income tax.

Managing Stress

Create Calm in Your Career

Many of us experience stress in life, whether this is in the short term from one-off projects, or long-term stress from a high-pressure career.

Not only can this be profoundly unpleasant, it can seriously affect our health and our work. However, it is possible to manage stress, if you use the right tools and techniques.

Warning:

Stress can cause severe health problems and, in extreme cases, death. While stress management techniques have been shown to have a positive effect on reducing stress, one should take the advice of suitably qualified health professionals if they have any concerns over stress-related illnesses or if stress is causing significant or persistent unhappiness. Health professionals should also be consulted before any major change in diet or levels of exercise.

What is Stress?

A widely accepted definition of stress, attributed to psychologist and professor Richard Lazarus, is, "a condition or feeling experienced when a person perceives that demands exceed the personal and social resources the individual is able to mobilize."

This means that we experience stress if we believe that we don't have the time, resources, or knowledge to handle a situation. In short, we experience stress when we feel "out of control."

This also means that different people handle stress differently, in different situations: you'll handle stress better if you're confident in your



abilities, if you can change the situation to take control, and if you feel that you have the help and support needed to do a good job.

Reactions to Stress

We have two instinctive reactions that make up our stress response. These are the "fight or flight" response, and the General Adaptation Syndrome (GAS). Both of these reactions can happen at the same time.

Fight or Flight

Walter Cannon identified the "fight or flight" response as early as 1932. It's a basic, short-term survival response, which is triggered when we experience a shock, or when we see something that we perceive as a threat.

Our brains then release stress hormones that prepare the body to either "fly" from the threat, or "fight" it. This energizes us, but it also makes us excitable, anxious, and irritable.

Managing Stress | Continued

Create Calm in Your Career

The problem with the fight or flight response is that, although it helps us deal with life-threatening events, we can also experience it in everyday situations – for example, when we have to work to short deadlines, when we speak in public, or when we experience conflict with others.

In these types of situations, a calm, rational, controlled, and socially-sensitive approach is often more appropriate.

General Adaptation Syndrome (GAS)

GAS, which Hans Selye identified in 1950, is a response to long-term exposure to stress.

Selye found that we cope with stress in three distinct phases:

1. The alarm phase, where we react to the stressor.
2. The resistance phase, where we adapt to, and cope with, the stressor. The body can't keep up resistance indefinitely, so our physical and emotional resources are gradually depleted.
3. The exhaustion phase, where, eventually, we're "worn down" and we cannot function normally.

Tip:

Fight or flight and GAS are actually linked – the exhaustion phase of GAS comes from an accumulation of very many fight or flight responses, over a long period of time.



Stress and the Way We Think

When we encounter a situation, we make two (often unconscious) judgments.

First, we decide whether the situation is threatening – this could be a threat to our social standing, values, time, or reputation, as well as to our survival. This can then trigger the fight or flight response, and the alarm phase of GAS.

Next, we judge whether we have the resources to meet the perceived threat. These resources can include time, knowledge, emotional capabilities, energy, strength, and much more.

How stressed we feel then depends on how far out of control we feel, and how well we can meet the threat with the resources we have available.

There are several steps to manage stress, for more information or to request a training you can contact a member of our team at info@pkf.io.

Major Contracts



Sharakat



Sanad



Royal Hashemite Court

JORDAN
INVESTMENT COMMISSION



**Jordan Investment
Commission**



**Syrian American Medical
Society Foundation SAMS**



**Sweimeh Development and
Investment Company**

**Arab Telemedia
Networks Limited &
Subsidiaries'**



Finance In Motion

Major Contracts | Continued



Spanish Agency for International Development Cooperation (AECID)



Pure Freude
an Wasser



اللجنة الوطنية الأردنية لشؤون المرأة
The Jordanian National Commission for Women

Grome Marketing "Cyprus"

**The Jordanian National
Commission for Women**

DNB Waste Consultancy



Save the Children

Save the Children

Magic Lamp Entertainment Limited

Success Stories

When closing a project nothing beats a thank you letter from a client who appreciates our continued work and commitment



Jordan Airports Company (JAC)

We would like to extend our thanks and appreciation to the team of PKF Consultants for their efforts in completing the project of designing the Grade and Pay Structure for Jordan Company (JAC).

PKF Consultants demonstrated great care to insure the integrity of data analysis and quality of outcomes. Their recommendations and approach throughout the project shows their professionalism and experience.



Spanish Agency for International Development Cooperation (AECID)

I am writing to thank you for the quality of service provided by your company. We sincerely appreciate your efficient work.

About Us

PKF Jordan and PKF Iraq, member firms of PKF International, are regional, multidisciplinary business advisory firms with industry specific services. We offer outstanding opportunities, by providing international standard based services, to dramatically position our clients as pioneers in a rapidly growing business environment. PKF Jordan and PKF Iraq play a major role in business advisory including Consultancy, Auditing, and Tax Services.

Areas of experience include Finance, Taxation, Market Research, Strategic Planning, Organizational Development, Human Resource Development, Investment, Technology and Information Management, Quality Management, and Socio-Economic Studies. We also initiate an added value component where integration, consistency and reliability are effectively enforced. PKF Jordan and PKF Iraq high quality services help clients identify their business needs, improve, excel, cope with business fluctuations and accomplish their anticipated goals and excel.

Our team approach enables operating as integrated cells exposed to diverse industries. Words like creativity, innovation and flexibility generate great success within the firms' services and culture, where PKF Jordan and PKF Iraq promise of quality, accuracy, speed, and value remain applicable in all deliverables. Relying on PKF Jordan and PKF Iraq beliefs makes our caliber professional. And experiencing our services makes clients distinguishable.

PKF Jordan and PKF Iraq services are designed to look after the best interest of the clients and protect their wealth. Our advisors thoroughly investigate the organization's business cycle to innovate the most rewarding solutions within our following services:

- Assurance and Advisory**
- Tax Consultancy**
- Corporate Finance**
- Forensic Accounting**
- Financial Planning**
- HR & Management Consultancy**
- IT Consultancy**
- Umbrella Services**

PKF Network Worldwide
Around 50 years of experience
21,000 people
440 offices
150 countries
US\$ 2.6 billion turnover
Top 10 assurance & advisory firm worldwide

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About Us

PKF Jordan & PKF Iraq deliver a full spectrum of services:

Assurance and Advisory

- Statutory audit
- Accounting services
- Non-statutory audit
- Sarbanes Oxley assurance
- Compilation of financial statements
- International accounting standards
- Assurance engagement
- Internal audit
- Business risk services

Tax Consulting

- Tax planning and tax manual
- Income tax
- Sales tax
- Withholding tax
- Employee's tax
-

Corporate Finance

- Privatization and Build - Operate - Transfer (BOT) services
- Private placement memorandum
- Business plans
- Finding and securing finance from the most appropriate sources (such as private equity firms)
- Business valuations
- Preparation of financial projections and financial cash flow forecasts
- Investment agent
- Provide ongoing advice and support with flotation, mergers and acquisitions, management buy-outs / buy-ins and disposals
- Due diligence
- Advice on reorganizing and restructuring existing businesses, commercial and tax considerations and fundraising options
- Feasibility studies

Forensic Accounting

- Appraisal of financial losses resulting from fraud
- Appraisal of damage resulting from prejudicial acts
- Preparation of expert opinions and second opinions
- Assisting solicitors in the financial aspects of cases
- Intervention as arbitrators or mediators in dispute resolution

Umbrella Services

Financial Planning

- Retirement planning
- Savings and investments
- Medical and life insurance
- Business assurance
- Property purchase

IT Consultancy

- Business process design
- Disaster recovery planning
- Managing Information Technology (IT) expenditure - budgeting and control
- Project management of business requirements
- Packaged software / Enterprise Resources Planning (ERP) selection and implementation
- Information Technology (IT) security and crisis planning
- Risk analysis and management
- Information Technology (IT) policies and procedures

Management Consultancy

- Strategic planning to achieve a sustainable competitive advantage
- Risk - measurement strategies, risk management plans and crisis handling
- Institutional assessment and upgrading plans
- Reviewing business processes for efficiency, control and effectiveness
- Organizational restructuring
- Competency-based human resources management and development
- Performance scorecards and indicators
- Marketing and market communication plans
- Market studies, research and surveys
- Customer satisfaction programs development
- Financial policies and procedures including procurement, accounting, and budgeting
- Corporate governance manuals
- Costing systems
- Internal audit manuals
- Operations manuals
- Quality management services
- Monitoring, evaluation, and impact assessment studies