

## Non-Deductible Expenses of MSEs and their Relationship with International Accounting Standard IAS 12 in the city of Huanuco – Peru

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### Abstract

*The Non-Deductible Expenses of MSEs and their relationship with the International Accounting Standard IAS 12 in the city of Huánuco, provides a contribution to the scientific community because it allows both entrepreneurs and Public Accountants to have a perspective on non-deductible expenses, analyzed through the following indicators: Remuneration, Participations, Representation Expenses, Travel Expenses, Sales Slip Expenses, Amortization, Depreciation, Vehicle Maintenance; and how these are corrected and regulated in accounting terms through the permanent difference and the temporary difference.*

*The main purpose of this work is to analyze the non-deductible expenses that are corrected and regulated in accounting in the companies of the MYPE Tax Regime, which operate in the city of Huánuco; for this, dimensions were established, regarding Non-Deductible Expenses, the dimension of the Expense Items was analyzed; in the same way their relationship with the international accounting standard IAS 12 it was analyzed under the dimensions of Permanent Difference and Temporal Difference.*

*By means of the Chi Square statistical test, the hypothesis was contrasted, obtaining as a result that there are indicators that indicate that non-deductible expenses are not corrected and regulated in accounting in the companies of the MYPE Tax Regime that operate in the district of Huánuco; These indicators are: Accounting Regulation (Permanent Difference) and Accounting Regulation (Temporary Difference).*

**Keywords:** *MSEs, Non-deductible expenses, accounting regulation, income tax, permanent difference, temporary difference, Tax Unit (UIT), Sunat National Superintendence of Customs and Tax Administration.*

### INTRODUCTION

Companies of the MYPE Tax Regime, which operate in the city of Huánuco, are obliged to comply with the provisions of the Single Text of Income Tax, Legislative Decree No. 774, in relation to the expenses incurred; for the purpose of regularizing the expenses in the annual affidavits made, where there are expenses that are not deductible and that

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companies do not correct and therefore, consequently generating inconsistencies of a Tax type with the National Superintendence of Tax Administration (S.U.N.A.T.).

This research work was focused from the perspective of Non-Deductible Expenses and under the following dimensions:

- The items of expenses were evaluated under the following indicators: Remunerations, Participations, Representation Expenses, Travel Expenses, Expenses with Sales Receipts, Amortization, Depreciation, Vehicle Maintenance.
- From a regulatory perspective, International Accounting Standard IAS 12 focused on the following dimensions:
  - Permanent Difference, evaluated under the accounting regulation indicator.
  - Time Difference, evaluated under the accounting regulation indicator.

Non-deductible expenses are those accounting expenses that are not accepted for tax purposes, because they exceed the limits established by law. This phenomenon is very frequent in companies, and especially in companies of the MYPE Tax Regime, which operate in the city of Huánuco.(Perú Petro, 2004)

According to Legislative Decree No. 1269 are located in the MYPE Tax Regime, those companies whose income does not exceed 1,700 UIT and the annual rate of income tax for this branch of companies is 10% and 29.5% of the third category income tax (10% up to 15 UIT of profit and 29.5% for more than 15 UIT); Due to this benefit, there are many companies belonging to the MYPE Tax Regime in the city of Huánuco as well as in the entire region and the country.

Non-deductible expenses are generally detected when companies prepare their annual financial statements and have to file their annual Third Category Income Tax affidavits with the Tax Administration (SUNAT), in order to regularize the payment of said tax.

The company detects non-deductible expenses at the time of preparing its annual income tax affidavit before the Tax Administration (SUNAT); perceives that the accounting profit does not coincide with the tax profit; At that time, the need arose to carry out accounting regulation, in order to standardize the accounting profit with the tax profit, for the purposes of readjusting the accounting results, with the non-deductible tax expenses. This procedure is mandatory, but; that are not complied with by most companies, that is why there are many tax problems with the Tax Administration (SUNAT), originating large debts to be paid, with determination resolutions, payment orders, fines and surcharges, which in many cases end with the closure of these companies.

For accounting regulation; the procedure is established in the International Accounting Standard (IAS) 12 called "Income Tax" even in this regard, it is in force to date.

Non-deductible expenses can be permanent or temporary. The permanent difference is the current income tax, because this expense is an expense for the period; while the time difference is not current, but deferred because they have to be deducted in subsequent periods, from the deferred tax. That is why, at the time of carrying out the accounting adjustment as a result of non-deductible expenses (permanent differences and temporary differences);

For the reasons indicated above, they have two significant variants, the first as current income tax payable and deferred income payable, both considered in the general account, Taxes Payable. Although there is a lot of information on accounting and tax rules; which serve as the basis for accounting regulation on non-deductible expenses; many companies belonging to the MYPE Tax Regime operating in the district of Huánuco; They do not comply with this regulation, which is mandatory, putting their operation at serious risk.

During the development of the research, important elements have been considered that companies do not put into practice in the accounting regulation of non-deductible

expenses, since most companies of the MYPE Tax Regime that operate in the city of Huánuco are not complying; since most of them make the payment of the third category income tax, without regularizing the non-deductible expenses; with a very significant tax risk in the tax audit of being sanctioned by the Tax Administration (SUNAT).

In accounting matters, there are expenses that are not accepted for tax purposes since they exceed the limits allowed by the TUO regulations of Legislative Decree No. 774 – Income Tax, which implies that the legal representatives of the companies of the MYPE Tax Regime that operate in the district of Huánuco, have the obligation to explain why they do not consider non-deductible expenses in accounting purposes.

The administration of companies belonging to the MYPE Tax Regime becomes complex at the time of making the annual Third Category Income Tax returns before SUNAT, since the accounting profit does not coincide with the tax profit, this generates a tax problem, because the tax procedures are not carried out properly. Therefore, in the eagerness to achieve this tax coincidence, companies are forced to make adjustments to non-deductible expenses in order to standardize the accounting profit with the tax profit.

## **METHODOLOGY**

The scope of study includes companies that are located in the MYPE tax regime. The study population included 1,241 companies of the MYPE tax regime operating in the city of Huánuco, with data provided by the National Superintendence of Tax Administration (SUNAT), for which it was requested by letter addressed to said office based in the city of Huánuco. Within which we studied the accounting managers of these companies. The initial sample consisted of 294 accountants from these companies. This result was subjected to a correction factor, consequently, the adjusted sample was of 237 accounting managers, selected using the simple random probability sampling type. The type of study was of an applicative nature because it used already known truths, theories already developed and theoretical approaches related to each of the study variables. The level of research was descriptive-evaluative and/or explanatory in nature, because non-deductible expenses were described and their relationship with accounting regulations was explained. The design used was non-experimental - cross-sectional or cross-sectional, due to the collection of data at a single moment and time and because its purpose was to describe the variables under study and thus analyze their incidence and interrelationship at a given time.

It is causal correlational because the research aims to describe relationships between the independent variable and the dependent variable. . (Torres Bardales, 2012)For the collection of data from In both variables, the The questionnaire was validated by Expert Judgment, evaluating its relevance, coherence, sufficiency and clarity. The reliability of the instrument was performed with Cronbach's alpha, whose value obtained was 0.806 for the independent variable and 0.819 for the dependent variable, determining the validity and reliability of the instrument.

## **RESULTS**

In the research, it was analyzed that non-deductible expenses are corrected and regulated in accounting in the companies of the MYPE Tax Regime, which operate in the city of Huánuco. Below, we present the results obtained in the collection of information:

### **01: Remuneration:**

It is necessary to know the perception of entrepreneurs of the MYPE Tax Regime of the city of Huánuco regarding the need to control the remuneration intended to cover professional services and management support, entered into with natural or legal persons

to carry out activities of a professional nature. When applying the survey to the 237 accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco, the following results were obtained to the question asked:

Do you consider that in your company there is no control of the remuneration paid in excess of the stipulated in the Income Tax Law and its regulations?

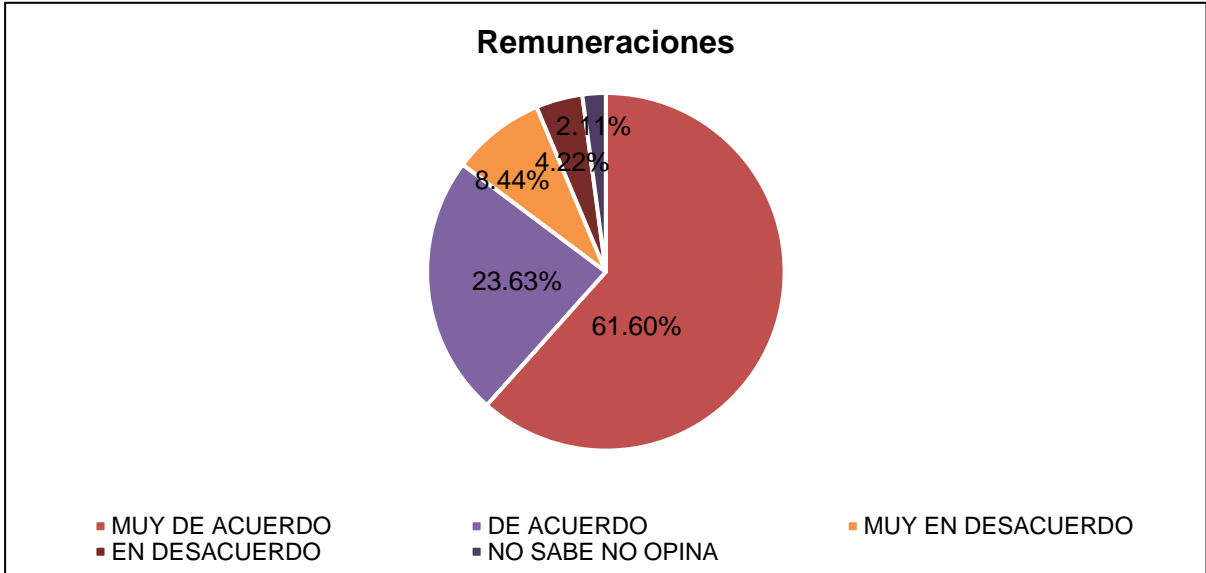


Figure 1

The perception that the accounting managers of the companies of the MYPE Tax Regime of the city of Huánuco have in 61.60% believe that they strongly agree that there is no control of the remunerations they pay in excess of that stipulated in the Income Tax Law and its regulations; 23.63% agree; 8.44% strongly disagree; while 4.22% disagree and 2.11% don't know or have an opinion.

02: Participations

It seeks to know the perception of the accounting professionals responsible for the companies of the MYPE Tax Regime of the city of Huánuco in relation to the provisions of subsection n) of article 37 of the Law, it will be considered that the shareholder and, in general, the partner or associate of the employing legal entity qualifies as a related party with it. The question asked was as follows:

Do you consider that in your company there is no control of the shares that pay in excess of the stipulated in the Income Tax Law and its regulations?

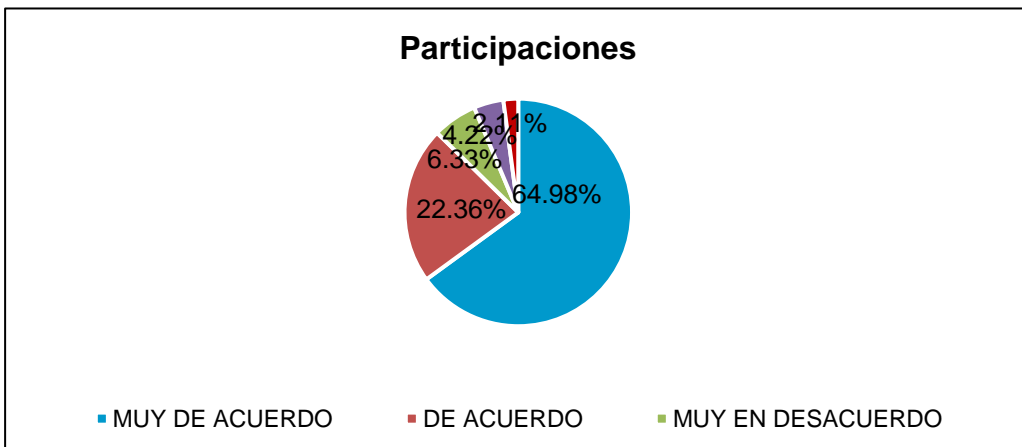


Figure 2 Holdings

The perception that the accounting managers of the companies of the MYPE Tax Regime of the city of Huánuco have: 64.98% believe that they strongly agree that there is no control of the participations that pay in excess of that stipulated in the Income Tax Law and its regulations; 22.36% agree; 6.33% strongly disagree; while 4.22% disagree and 2.11% don't know or have an opinion.

Dimension 1: Remuneration and participations

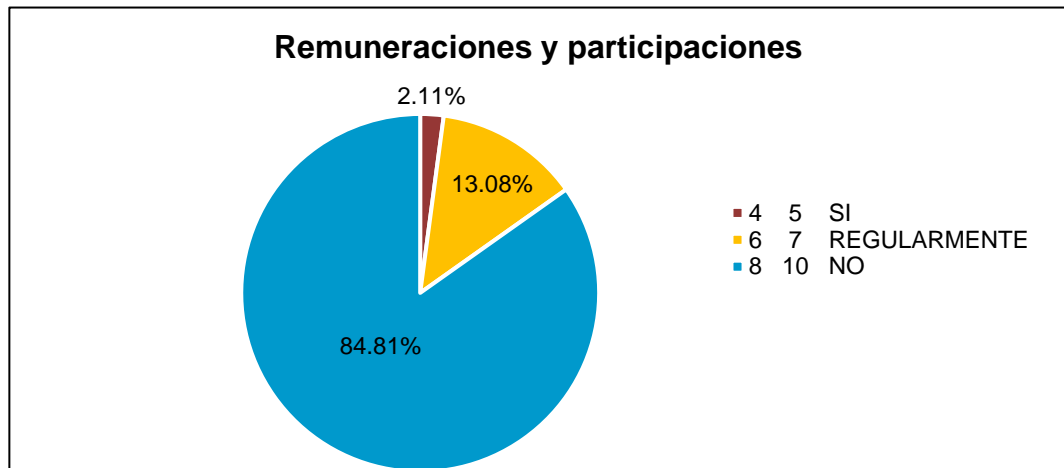


Figure 3 Remuneration and participations

The perception of the accounting managers of the companies of the MYPE Tax Regime of the city of Huánuco, that 84.8% believe that there is no control of the shares that pay in excess of the stipulated in the Income Tax Law and its regulations; 13.1% regularly have control of shareholdings; while 2.1% if there is control of the shares that pay in excess of that stipulated in the Income Tax Law and its regulations

03: Representation Expenses

Likewise, to know the perception of the accounting managers of the companies of the MYPE Tax Regime of the city of Huánuco in relation to the control of representation expenses, it complies with the requirements of the law. He asked himself the following question:

Do you consider that in your company there is no control over the expenses of representations that pay in excess of the stipulated in the Income Tax Law and its regulations?

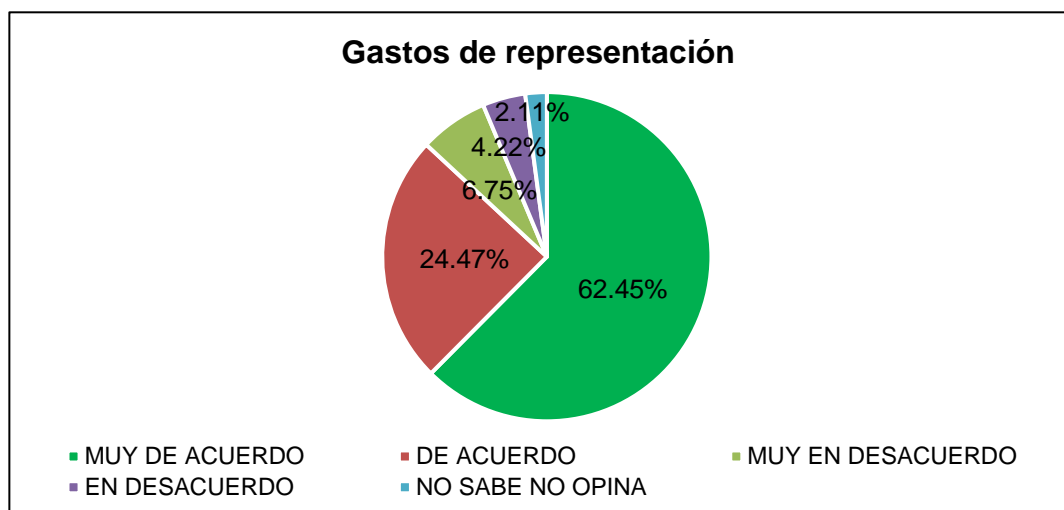


Figure 4 Representation Expenses

The perception that the accounting managers of the companies of the MYPE Tax Regime of the city of Huánuco have in 62.45% believe that they strongly agree that there is no control in the expenses of representations that pay in excess of that stipulated in the Income Tax Law and its regulations; 24.47% agree; 6.75% strongly disagree; while 4.22% disagree and 2.11% don't know or have an opinion.

04: Travel Expenses

To know the perception of the accounting managers of the companies of the MYPE Tax Regime of the city of Huánuco in relation to whether the control of travel expenses is justified as required by law. The question asked was:

Do you consider that in your company there is no control over travel expenses that pay in excess of the stipulated in the Income Tax Law and its regulations?

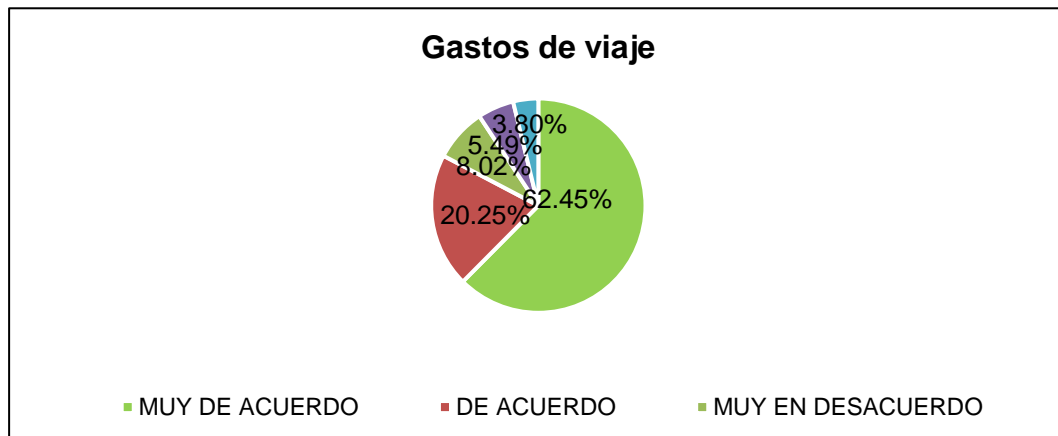


Figure 5 Travel expenses

The perception that the accounting managers of the companies of the MYPE Tax Regime of the city of Huánuco have, 62.45% believe that they strongly agree that there is no control on travel expenses that they pay in excess of that stipulated in the Income Tax Law and its regulations; 20.25% agree; 8.02% strongly disagree; while 5.49% disagree and 3.80% don't know or have an opinion.

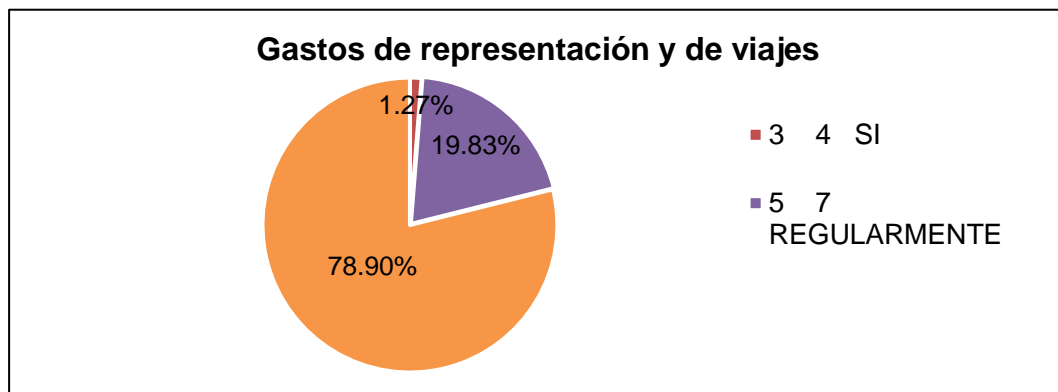


Figure 6 Representation and travel expenses

The perception of the accounting managers of the companies of the MYPE Tax Regime of the city of Huánuco, that 78.9% (189) believe that there is no control over travel expenses that they pay in excess of that stipulated in the Income Tax Law and its regulations; 19.8% (47) were regularly monitored; 1.3% (1) if there is control on travel expenses that pay in excess of those stipulated in the Income Tax Law and its regulations.

05: Expenses with Sales Receipts

Do you consider that in your company there is no control over expenses with sales receipts that pay in excess of the stipulated in the Income Tax Law and its regulations?

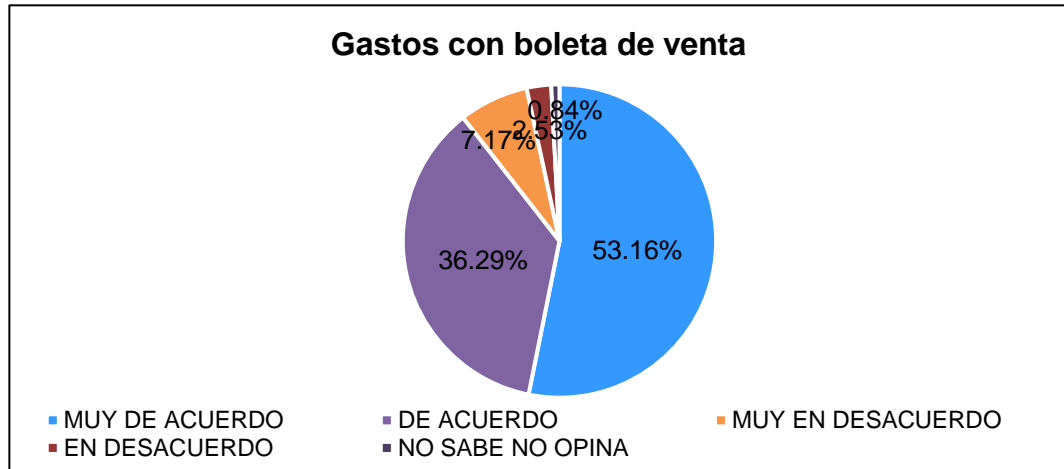


Figure 7 Expenses with sales receipts

The perception that the accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco have, 53.16% believe that they strongly agree that there is no control in the expenses with sales receipts that pay in excess of that stipulated in the Income Tax Law and its regulations; 36.29% agree; 7.17% strongly disagree; while 2.53% disagree and 0.84% don't know they don't have an opinion.

06: Depreciation

Do you consider that in your company there is no control over depreciation payments that pay in excess of the amount stipulated in the Income Tax Law and its regulations?

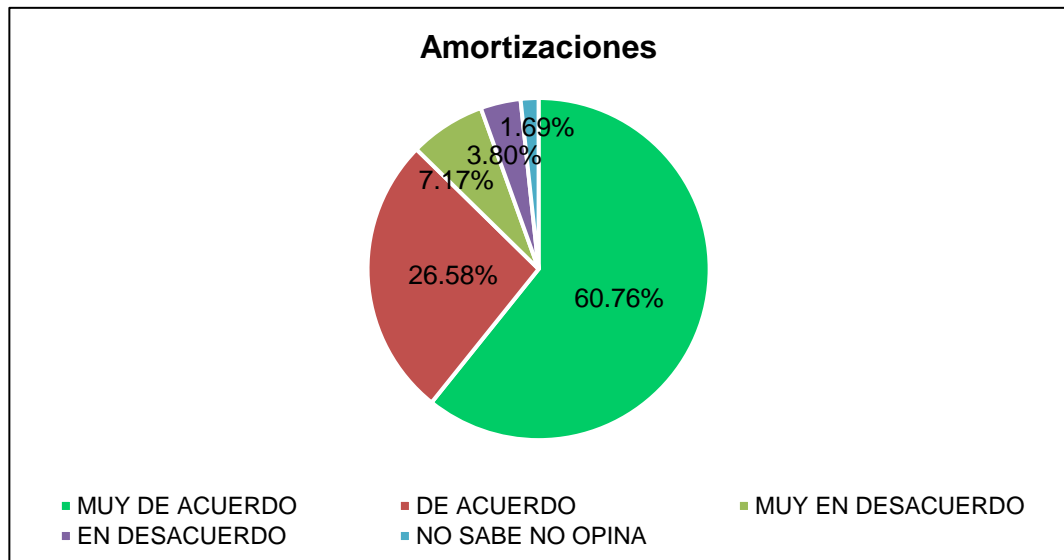


Figure 8 Depreciation

The perception that the accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco have: 60.76% believe that they strongly agree that there is no control on the amortizations that they pay in excess of that stipulated in the Income Tax Law and its regulations; 26.58% agree; 7.17% strongly disagree; while 3.80% disagree and 1.69% don't know or have an opinion.

Dimension 3: Expenses with sales receipts and amortization

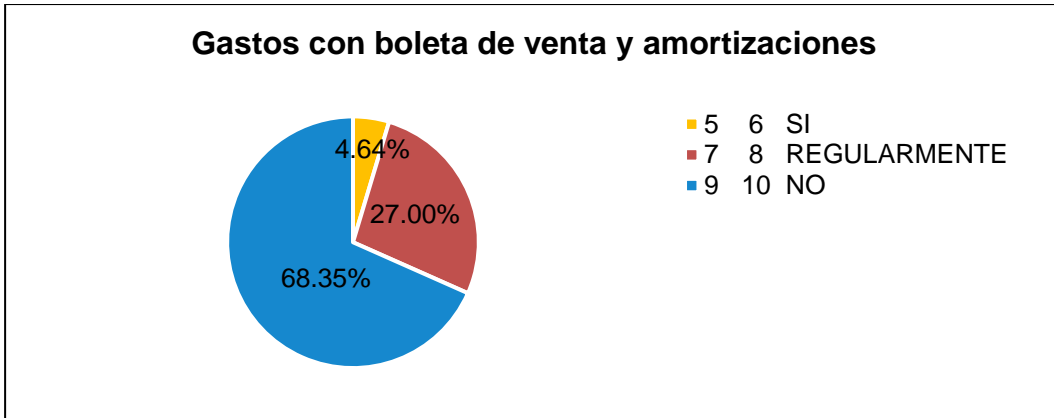


Figure 9 Expenses with Sales Receipts and Depreciation

The perception of the accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco, that 68.4% (162) believe that there is no control in the expenses of sales receipts and amortizations that pay in excess of that stipulated in the Income Tax Law and its regulations; 27% (64) are regularly monitored; 4.6% (11) if there is control over the expenses of sales receipts and amortizations that pay in excess of that stipulated in the Income Tax Law and its regulations.

07. Depreciation:

The expense of depreciation accepted for tax purposes, i.e., depreciation that is accounted for within the taxable year in the accounting books and records, was measured with the following question

Do you consider that in your company there is no control over depreciation that is paid in excess of the amount stipulated in the Income Tax Law and its regulations?

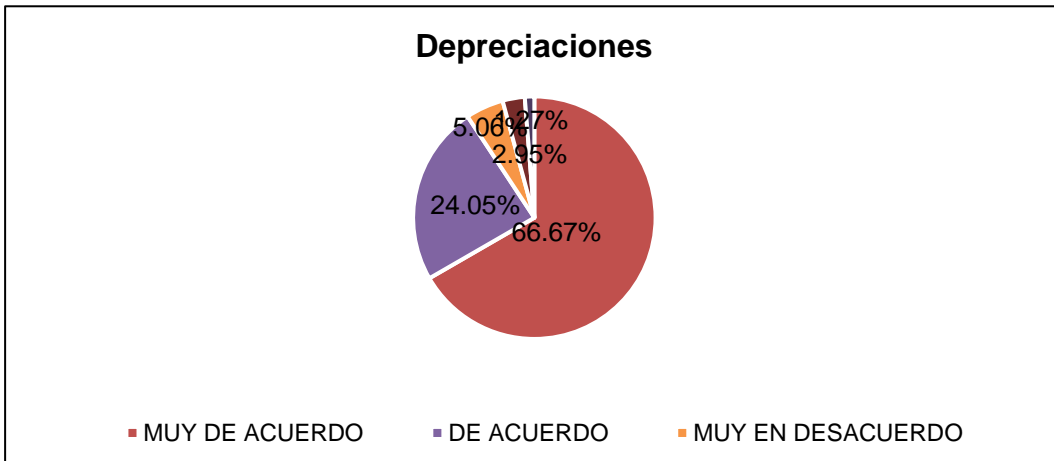


Figure: 10 Depreciations

The perception of the accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco, 66.67% believe that they strongly agree that there is no control on the depreciations they pay in excess of that stipulated in the Income Tax Law and its regulations; 24.05% agree; 5.06% strongly disagree; while 2.95% disagree and 1.27% don't know

08: Vehicle Maintenance

Do you consider that in your company there is no control in the maintenance of vehicles that pay in excess of the stipulated in the Income Tax Law and its regulations?



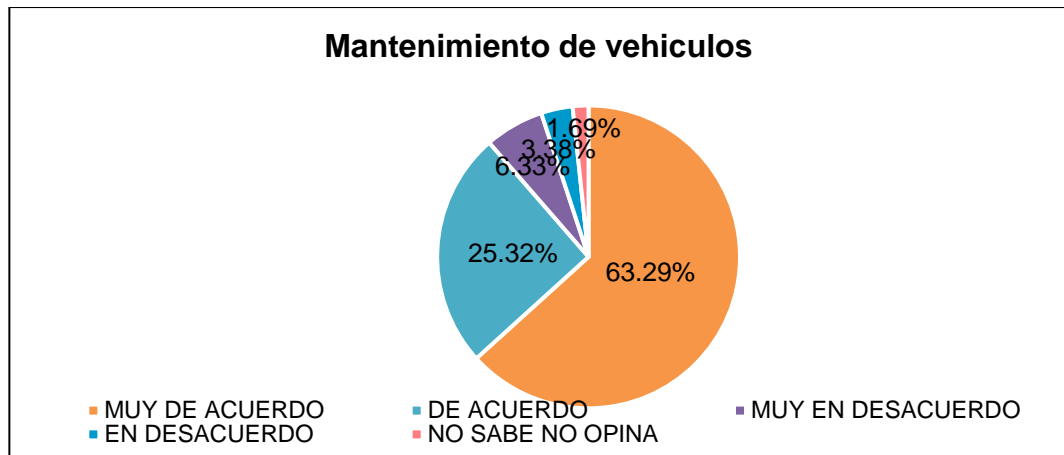


Figure 11 Vehicle Maintenance

The perception that the accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco have: 63.29% believe that they strongly agree that there is no control in the maintenance of vehicles that pay in excess of that stipulated in the Income Tax Law and its regulations; 25.32% agree; 6.33% strongly disagree; while 3.38% disagree and 1.69% don't know

Dimension 4: Vehicle Depreciation and Maintenance

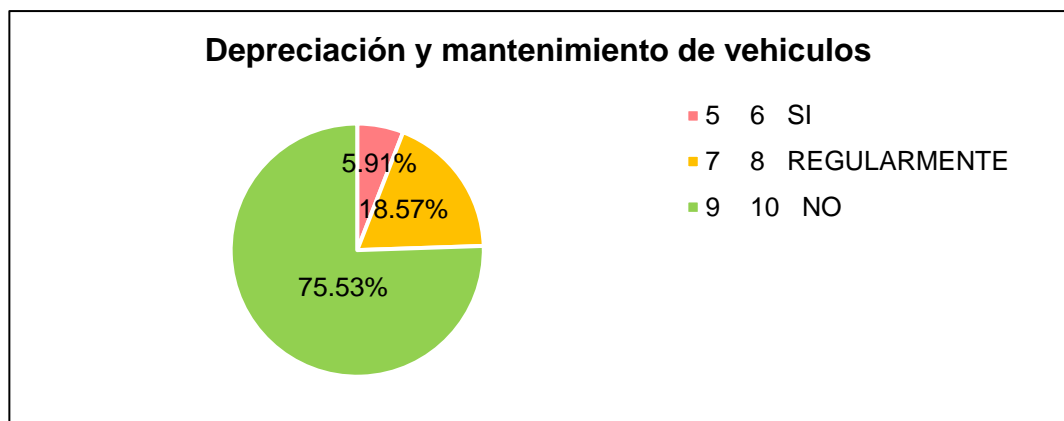


Figure 12: Vehicle depreciation and maintenance

The perception of the accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco, that 75.5% (179) believe that there is no control in the depreciation and maintenance expenses of vehicles that pay in excess of that stipulated in the Income Tax Law and its regulations; 18.6% (44) were regularly monitored; 5.9% (14) if there is control over travel expenses that pay in excess of that stipulated in the Income Tax Law and its regulations.

09: Accounting regulation for excess expenses (permanent difference)

Do you consider that your company does not comply with the accounting regulations due to the excess expenses of the permanent differences established in the Income Tax Law and its Regulations?

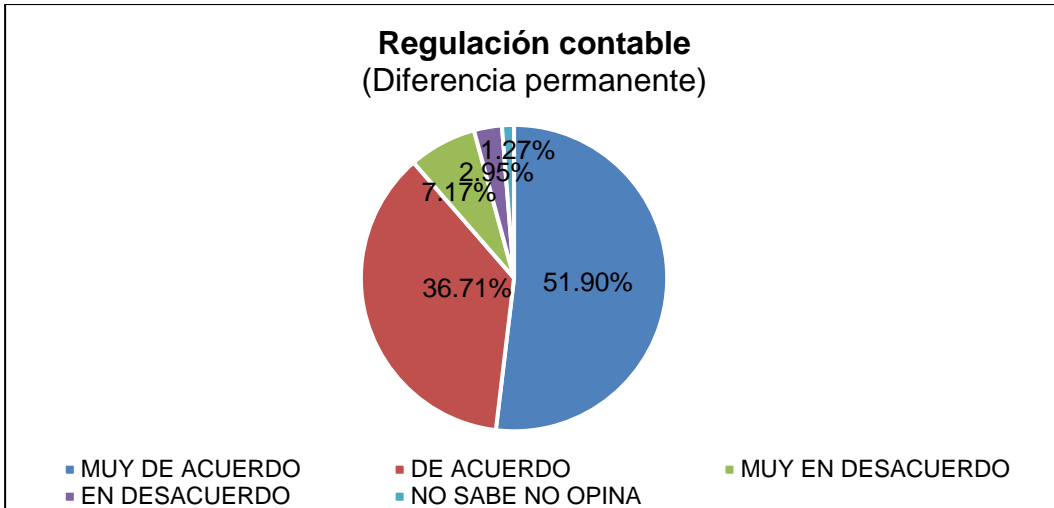


Figure 13: Accounting Regulation (Standing Difference)

The perception that the accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco have: 51.90% believe that they strongly agree that the accounting regulation is not carried out due to the excess of expenses of the permanent differences established in the Income Tax Law and its Regulations; 36.71% agree; 7.17% strongly disagree; while 2.95% disagree and 1.27% don't know or have an opinion.

10: Accounting regulation for excess expenses (time difference)

Do you consider that your company does not comply with accounting regulations due to the excess of expenses of the time differences established in the Income Tax Law and its Regulations?

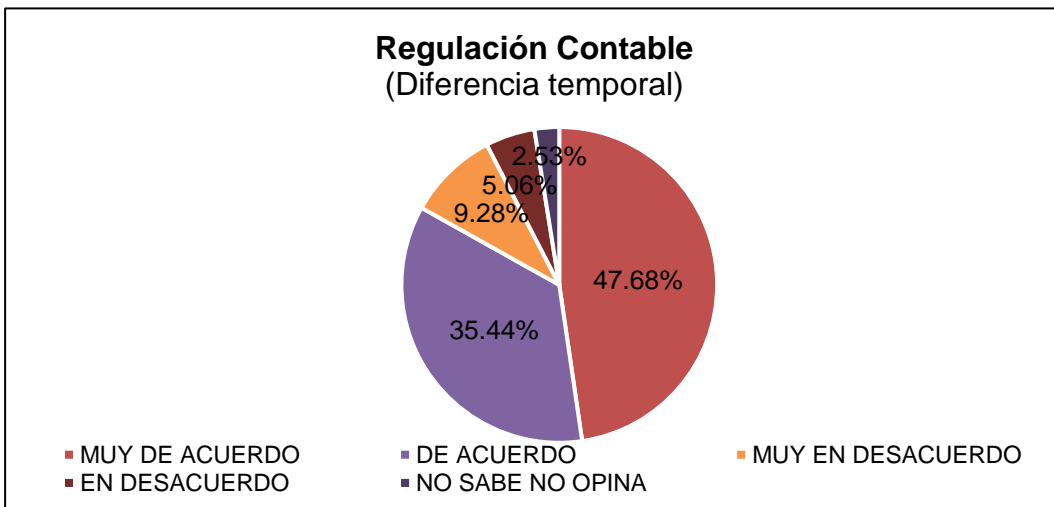


Figure 14: Accounting Regulation (Time Difference)

The perception of the accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco shows that 47.68% believe that they strongly agree that the accounting regulation is not carried out due to the excess of expenses of the time differences established in the Income Tax Law and its Regulations; 35.44% agree; 9.28% strongly disagree; while 5.06% disagree and 2.53% don't know they don't have an opinion.

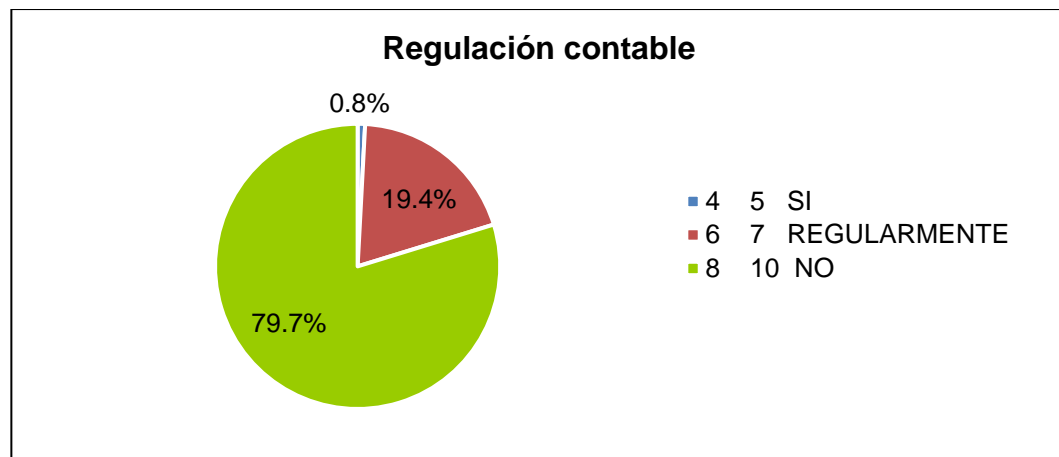


Figure 15: Accounting Regulation

The perception of the accounting managers of the companies of the MYPE Tax Regime of the district of Huánuco, that 79.7% (189) believe that there is no control in the accounting regulation that they pay in excess of that stipulated in the Income Tax Law and its regulations; 19.4% (46) were regularly monitored; 0.8% (2) if there is control in the accounting regulation that they pay in excess of that stipulated in the Income Tax Law and its regulations.

## DISCUSSION

With respect to the overall objective. Non-deductible expenses are corrected and regulated in accounting in the companies of the MYPE tax regime that operate in the city of Huánuco. Faced with the questions of the formulation of the problem, in general terms it is noted that non-deductible expenses are not regulated in accounting in the company of the MYPE regime of the city of Huánuco; which means that there is still an indecisive or irresponsible knowledge of the public accountants of these companies because even though they are aware that certain expenses are not accepted for tax purposes, they include them or declare them in order to lower the taxable base for calculating income tax, thus causing serious problems for companies, such as: commission of tax infractions, which leads to the obtaining of sanctions and fines to the detriment of the profitability of the companies, given that there are inspection actions by SUNAT aimed at identifying the expenses accepted for tax purposes according to article no. 37 and expenses not accepted for tax purposes or not deductible according to article no. 44 of the Income Tax Law and its regulations, D. S no. 122-94-EF.

The results obtained indicate that 119 accountants of the companies of the MYPE regime of the city of Huánuco consider that non-deductible expenses are not corrected for accounting. Likewise, it can be seen that there is no accounting regulation in 79.7% and this is confirmed by the testing of hypotheses. Given that non-deductible expenses are not corrected and regulated by the accounting managers of the companies under study, it is suggested that those in charge of the accounting area avoid bad accounting practices and open up the procedures in order to improve the management of the company and that this reflects the real financial situation, the results, the financial risks borne by the company, as it states, for this they must use the accounting standards that are required, such as: International Accounting Standards IAS, International Financial Reporting Standards IFRS and other directives of the regulatory bodies; In this way, permanent and temporary differences will be avoided at the time of preparing the annual income tax return.(Mileti Mabel, 2003)

Our study coincides with the research carried out by (Aguirre Agüero, 2017), in his thesis "Tax repair and its incidence in the determination of income tax in Educational Institutions, district of San Juan de Lurigancho, year 2017" concludes that:

That the tax relief has a significant impact on the determination of income tax in Educational Institutions, district of San Juan de Lurigancho, year 2017. This conclusion was reached after identifying that the accounting staff of the educational institutions did not have the necessary training in tax matters to be able to determine the calculation of income tax, since they did not take into account articles 37 and 44 of the income tax law. This lack of knowledge affects the results at the end of the period, since such payment for taxes decreases the net profit of the institution. Likewise, it has been possible to contrast and verify with reality that tax additions have a significant impact on the determination of income tax; This conclusion was reached after determining that the accounting staff of educational institutions did not take into account items of expenses that, according to the income tax law, must be considered additions, and this omission has an impact on the calculation of income tax. And, that tax deductions have an impact on the determination of income tax after determining that the accounting analysts of educational institutions did not take into account expenses that are allowed, according to income tax law. The non-deduction of these expenses has an impact on the calculation of income tax.

In conclusion, in the face of the third specific hypothesis proposed and validated, it is obtained as a result that the tax repair has an impact on the efficiency in the determination of income tax in educational institutions, district of San Juan de Lurigancho, year 2017. This conclusion indicates that, if accountants make an inadequate objective determination of tax remedies, net income and income tax will not be a true reflection of the economic and financial situation of the educational institution.

(Merizalde Cardenas, 2016), in his thesis "Analysis of the Main Non-Deductible Expenses and their Impact on Tax Reconciliation" concludes that:

- a) The Internal Tax Regime Law and the Internal Tax Regime Regulations should be the main sources of consultation, they also provide a legal framework for taxpayers to comply with their tax obligations.
- b) Submitting false information to regulatory bodies may constitute a crime of fraud that may result in the deprivation of liberty of those responsible.
- c) The incorrect determination of profit not only harms the State, but also the workers and employees who receive their profits based on the profits that the company has obtained.

With respect to non-deductible expenses of purchases (element 60) such as: expenses with sales receipts, those responsible for accounting (a total of 162) indicated in 68.4% that there is no control in expenses with sales receipts that pay in excess of what is stipulated in the Income Tax Law and its regulations. Therefore, it is concluded that non-deductible expenses with sales receipts are not regulated in accounting in the companies of the MYPE tax regime that operate in the city of Huánuco. To regulate the expenses of purchases with sales receipts, it is recommended:

- a. Implement greater control in companies related to purchases made with sales receipts and that these do not exceed what is stipulated in the Income Tax Law, which is 0.5% of the total purchases with receipts.
- b. Accountants should demand that purchases made should be supported by invoices and not sales receipts.

In this regard, in his thesis "Non-Deductible Expenses of Income Tax and the Influence on the Profit of the Nefrolab Chiclayo S.A.C. Clinic, 2016" he concludes that:(Torres Ramirez, 2016)

□ In the investigation carried out, payment receipts were found among invoices and sales receipts that were accounted for, but not declared despite being expenses deductible to income tax, as a result of which a higher tax payment was generated, unfavorable for the company in question.

□ In an accounting manner, all payment vouchers were correctly recorded, obtaining a profit before tax of S/. 82,740.

□ that the amount of income tax deductible expenses found that were not declared for tax purposes amounts to S/. 4,630.

Likewise, the expenses of personnel, directors and managers such as: remunerations and participations, it was concluded that in the perception of those responsible for accounting (a total of 162) indicated in 84.8% that there is no control in the aforementioned expenses that are paid in excess of what is stipulated in the Income Tax Law and its regulations. Therefore, it is concluded that non-deductible expenses are not regulated in accounting in the companies of the MYPE tax regime that operate in the city of Huánuco. That is why it is proposed that remuneration should be paid reasonably according to the degree of responsibility of the staff, directors and managers; if they are overpaid this can lead to higher non-tax-deductible expenses. Profit sharing must also be carried out.

Regarding the expenses of services provided by third parties such as: travel expenses, vehicle maintenance and representation expenses, the results show that those responsible for accounting (a total of 162) indicated in 78.9% that there is no control in the aforementioned expenses that are paid in excess of what is stipulated in the Income Tax Law and its regulations. The greater excess is reflected in representation and travel expenses due to the fact that the parameter of the allowance of per diem within and abroad is generally exceeded; Therefore, it is concluded that non-deductible expenses are not regulated in accounting in the companies of the MYPE tax regime that operate in the city of Huánuco.

The expenses for valuation and impairment of assets and provisions such as: depreciation and amortization, it was concluded, that in the perception of those responsible for accounting (a total of 162) indicated in 75.5% that there is no control in the payment of these expenses that are paid in excess according to the Income Tax Law and its regulations. The greater excess is reflected in considering depreciation and amortization greater than what is required by law; Therefore, it is concluded that non-deductible expenses are not regulated in accounting in the companies of the MYPE tax regime that operate in the city of Huánuco. These expenses must be controlled so as not to exceed the limits established by the Income Tax Act.

Our study coincides with the research carried out by , in his thesis "Implication of Non-Deductible Expenses in the Calculation of Business Income Tax of the Grifo Orlando Sole Proprietorship of the City of Guadalupe Fiscal Year 2015", concludes that: The implication of non-deductible expenses in the calculation of the corporate income tax in the Sole Proprietorship Business Grifo Orlando is a higher income tax payment. An increase in the taxable base was determined by S/. 99,199.86, generating an increase in the corporate income tax of S/. 27,775.96.(Asenjo Muñoz, 2017)

Non-deductible expenses do affect the determination of employee participation, in application of the provisions of Legislative Decree No. 892

The costs and expenses incurred by the business must comply with the tax principle of causality, that is, they must be in accordance with the maintenance of the source of income. The company incurred expenses that are not in accordance with the income tax regulations, which generated a higher disbursement for payment of income tax, which affects the liquidity of the business organization.

## CONCLUSIONS

1. Non-deductible expenses are not corrected as regulated in accounting terms for companies in the MYPE tax regime operating in the city of Huánuco, as shown in table 24 where it can be seen that there is no accounting regulation in 79.7% and this is confirmed by the hypothesis contrast reflected in table 34 in which a p value of 0.205 higher than the level of significance was obtained ( $\alpha = 0.05$ ).
2. Purchase expenses, such as expenses with sales receipts, are shown in table 18, where those responsible for accounting (a total of 162) indicated in 68.4% that there is no control over expenses with sales receipts that pay in excess of what is stipulated in the Income Tax Law and its regulations. Therefore, it is concluded that non-deductible expenses with sales receipts are not regulated in accounting in the companies of the MYPE tax regime that operate in the city of Huánuco.
3. Expenses of personnel, directors and managers such as: remuneration and participations, which in the perception of those responsible for accounting (a total of 162) indicated in 84.8% that there is no control in the aforementioned expenses that are paid in excess of what is stipulated in the Income Tax Law and its regulations. Therefore, it is concluded that the non-deductible expenses of element 62 are not regulated in accounting in the companies of the MYPE tax regime that operate in the city of Huánuco.
4. The expenses of services provided by third parties, such as: travel expenses, vehicle maintenance and representation expenses, are visualized in table 15, in which those responsible for accounting (a total of 162) indicated in 78.9% that there is no control in the aforementioned expenses that are paid in excess of what is stipulated in the Income Tax Law and its regulations. The greater excess is reflected in representation and travel expenses due to the fact that the parameter of the allowance of per diem within and abroad is generally exceeded; Therefore, it is concluded that non-deductible expenses are not regulated in accounting in the companies of the MYPE tax regime that operate in the district of Huánuco.
5. The expenses for valuation and impairment of assets and provisions (item 68) such as: depreciation and amortization, are shown in table 21, which in the perception of those responsible for accounting (a total of 162) indicated in 75.5% that there is no control in the payment of these expenses that are paid in excess according to the Income Tax Law and its regulations. The greater excess is reflected in considering depreciation and amortization greater than what is required by law; Therefore, it is concluded that the non-deductible expenses of element 68 are not regulated in accounting terms in the companies of the MYPE tax regime that operate in the city of Huánuco.

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