

Note 23 - Income tax

Parent Bank			Group	
2020	2021	(NOK million)	2021	2020
1,629	2,760	Result before tax	3,501	2,299
-436	-689	+/- permanent differences	-691	-522
161	45	+/- change in temporary differences as per specification	99	142
-	-	+ deficit carried forward	-307	-118
1,355	2,116	Year's tax base/taxable income	2,603	1,800
339	529	Tax payable on profit for the year	593	422
-14	-12	Taxes on interest hybrid capital	-13	-14
-3	-4	Excess/too little tax accrued previous year	3	-
322	513	Total taxes payable in statement of financial position	583	408
339	529	Tax payable on profit for the year	593	422
-40	1	+/- change in deferred tax	29	-8
-14	-12	Taxes on interest hybrid capital	-13	-14
284	518	Tax charge for the year	609	400
Change in net deferred tax liability				
-14	-1	Deferred tax shown through profit/loss	29	-8
6	12	Deferred tax shown through equity	-13	-8
-	-	Too little taxes accrued previous year*	-3	-
-8	11	Total change in net deferred tax liability	13	-16

* Due to changes in temporary differences between annual accounts and final tax papers.

2020	2021	Composition of deferred tax carried in the balance sheet (NOK Million)	2021	2020
-	-	Temporary differences:		
-	-	- Business assets	25	14
-	-	- Leasing items	257	321
102	54	- Pension liability	56	104
43	52	- Securities	52	45
604	154	- Hedge derivatives	154	604
-	-	- Other temporary differences	3	5
749	260	Total tax-increasing temporary differences	546	1,093
187	65	Deferred tax	136	273
-	-	Temporary differences:		
-17	-12	- Business assets	-25	-24
-	-	- Pension liability	-2	-
-	-93	- Securities	-83	-1
-617	-136	- Hedge derivatives	-136	-617
-83	-33	- Other temporary differences	-135	-181
-	-	- Deficit carried forward	-306	-470
-718	-273	Total tax-decreasing temporary differences	-685	-1,294
-179	-68	Deferred tax asset	-170	-320
8	-3	Net deferred tax (-asset)	-34	-47

The above table comprises temporary differences from all consolidated companies shown gross. At the company level tax-increasing and tax-reducing temporary differences are shown net. At the group level recognition is on a gross basis in conformity with IAS 12 with each company being presented separately in the calculation of the Group's tax benefit and deferred tax:

	2021	2020
Tax benefit recorded 31 Dec	90	129
Deferred tax recorded 31 Dec	-56	-81

2020	2021	Reconciliation of tax charge for the period recognised against profit and loss to profit before tax	2021	2020
407	690	25 % of profit before tax	880	546
-109	-172	Non-taxable profit and loss items (permanent differences) *	-236	-124
-14	-	- Tax effect of costs reflected in equity	-	-14
-	-	- Too little taxes accrued previous year	0	-0
-	-	- Change in tax assets not recognised	-34	-8
284	518	Tax for the period recognised in the income statement	609	400
17 %	19 %	Effective tax rate	17 %	17 %

* Includes non-deductible costs and deduction for profit share related to associates and joint ventures (profit shares are taken out having already been taxed at the respective companies).