

2023 Budget Highlights

Individual Tax, Corporate Tax & Others

23 March 2023

Individual Income Tax

Change in income tax rates for resident individuals

Finance Bill 2023



Proposed amendment to Schedule 1, Part 1, Paragraph 1 of the Income Tax Act, 1967

Chargeable income	2022 Current Tax Rate (%)	2023 Proposed Tax Rate (%)	Reduction/Increase in tax rate	
0 – 5,000	0	0		
5,001 – 10,000	1	1		
10,001 – 25,000	3	3		
35,001 – 50,000	8	6	↓	2%
50,001 – 70,000	13	11	↓	2%
70,001 – 100,000	21	19	↓	2%
100,001 – 250,000	24	25	↑	1%
250,001 – 400,000	24.5	25	↑	0.5%
400,001 – 600,000	25	26	↑	1%
600,001 – 1,000,000	26	28	↑	2%
1,000,001 – 2,000,000	28	28		
2,000,001 and above	30	30		

Tax relief on medical treatment expenses

Finance Bill 2023


Proposed amendment Section 46(1)(g) of the Income Tax Act, 1967

 Current	 Proposed
<div data-bbox="606 425 912 511">Restricted to RM8,000</div> <p data-bbox="300 611 952 645">Qualifying expenses on medical treatment:</p> <ul data-bbox="300 731 1192 1125" style="list-style-type: none">• Serious disease incurred for taxpayer, spouse or child• Fertility treatment incurred for taxpayer or spouse• Vaccination for taxpayer, spouse or child limited to RM1,000• Full medical check-up including mental health check-up or consultation, COVID-19 detection test inclusive of the purchase of self-test kit for taxpayer, spouse or child limited to RM1,000	<div data-bbox="1668 425 1974 511">Restricted to RM10,000</div> <p data-bbox="1342 582 1995 616">Qualifying expenses on medical treatment:</p> <ul data-bbox="1342 645 2234 1325" style="list-style-type: none">• Serious disease incurred for taxpayer, spouse or child• Fertility treatment incurred for taxpayer or spouse• Vaccination for taxpayer, spouse or child limited to RM1,000• Full medical check-up including mental health check-up or consultation, COVID-19 detection test inclusive of the purchase of self-test kit for taxpayer, spouse or child limited to RM1,000• Intervention expenditure for Autism, Attention Deficit Hyperactivity Disorder (ADHD), Global Developmental Delay (GDD), Intellectual Disability, Down Syndrome, and Specific Learning Disabilities limited to RM4,000• Effective from year of assessment 2023


Tax relief on Employees Provident Fund (EPF) contributions

Finance Bill 2023

Proposed amendment Subsection 49(1) and 49(1A) of the Income Tax Act, 1967

 Current		
	Other than Public Servant	Public Servant
Contribution to an approved scheme or voluntary contribution to EPF (not including private retirement fund) or contribution under any written law	Restricted to RM4,000	Not applicable (where there is no EPF contribution / approved scheme) Restricted to RM4,000 (with EPF contribution / approved scheme)
Life insurance premium payment or Takaful contributions	Restricted to RM3,000	Restricted to RM7,000 (where there is no EPF contribution / approved scheme) Restricted to RM3,000 (with EPF contribution / approved scheme)
Total allowable relief		Maximum RM7,000





 Proposed		
	Other than Public Servant	Public Servant
Contribution to an approved scheme or voluntary contribution to EPF (not including private retirement fund) or contribution under any written law	Restricted to RM4,000	Not applicable (where there is no EPF contribution / approved scheme) Restricted to RM4,000 (with EPF contribution / approved scheme)
Life insurance premium payment or Takaful contributions or additional voluntary contribution to EPF or both	Restricted to RM3,000	Restricted to RM7,000 (where there is no EPF contribution / approved scheme) Restricted to RM3,000 (with EPF contribution / approved scheme)
Total allowable relief		Maximum RM7,000
<ul style="list-style-type: none">Effective from year of assessment 2023		

Tax relief: Expenses incurred for childcare fees

Finance Bill 2023

Proposed amendment Section 46(1)(r) of the Income Tax Act, 1967

 Current	 Proposed
<ul style="list-style-type: none">• Payment of childcare fees must be made to either:<ul style="list-style-type: none">○ Childcare centre registered with the Director General of Social Welfare under the Child Care Centre Act, 1984; or○ Kindergarten registered under the Education Act 1996• Child of taxpayers must be aged 6 years and below• Claimable from 1 January 2020 to 31 December 2023 <p>Relief – Restricted to RM3,000</p>	<p>Extended to YA 2024 (i.e. 1 January 2024 to 31 December 2024)</p>

Special Note

The below tax reliefs expired after YA 2022 and will not be extended

1. Special lifestyle relief
 - Purchase of a personal computer, smartphone or tablet up to RM2,500. This was a special relief introduced during the pandemic and is a further deduction to the current lifestyle relief
2. Skim Simpanan Pendidikan Nasional (SSPN)
 - Tax relief up to RM8,000 on net annual savings/deposit to SSPN
3. Domestic tourism expenses
 - Tax relief up to RM1,000 was introduced during pandemic to spur domestic tourism



Corporate tax proposals

Corporate Tax

Capital Gains Tax (CGT)

Current

- No CGT is imposed on disposal of capital items except for Real Property Gains Tax (RPGT) on gains arising from disposal of real properties or shares in real property companies (RPC).
- Gains arising from revenue transactions are subject to tax under Income Tax Act, 1967 (ITA).

Proposed

- Possible introduction of CGT on disposal of **unlisted shares** by **companies** at a **lower tax rate** beginning 2024.
- Consultation sessions with relevant parties to examine the details.
- Treatment of capital gains for regional peers:

Jurisdictions	Treatment of capital gains tax
Indonesia	The capital gains derived by an Indonesian resident company are taxed at the standard corporate income tax rate
Vietnam	Capital gains are taxed at standard corporate tax rate
Thailand	Capital gains are subject to normal income tax, with no restrictions on the use of capital losses to offset net taxable profits
Philippines	Capital gains are generally taxed as income and subject to the regular corporate income tax
Laos	Capital gains are generally taxed as income and subject to the regular corporate income tax
Cambodia	Gains from the sale of assets / shares are subject to tax at a prescribed rate

Voluntary Disclosure Program (IRB)

Special Voluntary Disclosure Program (SVDP)
Introduced Previously

SVDP was introduced in Budget 2019 offering the following reduced penalty rates:

Disclosure and Settlement Period	Penalty Rate
3 November 2018 to 31 March 2019 (extended to 30 June 2019)	10%
1 April 2019 to 30 June 2019 (extended to 30 September 2019)	15%

Participation	286,482
Collection	RM7.88 billion

Proposed

The IRB will reintroduce a voluntary disclosure program. **100% penalty waiver** will be granted for voluntary disclosures from **1 June 2023 to 31 May 2024** (excludes those currently under audit or investigation).

Examples of errors for disclosure:

- Income (e.g. taxability, classification, timing)
- Expense (e.g. deductibility, classification, timing)
- Tax incentives (e.g. conditions, computation method)
- Withholding taxes

Corporate Tax

Review of Income Tax Treatment for Micro, Small and Medium Enterprises

Chargeable Income	Current Tax Rate	Proposed Tax Rate
First RM150,000	17%	15%
RM150,001 to RM600,000	17%	17%
RM600,001 and above	24%	24%

Savings up to RM3,000

Effective
YA 2023

Proposed additional conditions for reduced tax rates

The following taxpayers are not eligible for the reduced tax rates:

- Company with more than 20% of its paid-up capital **owned directly or indirectly by a company incorporated outside Malaysia or non-Malaysian citizens.**
- Limited liability partnership with more than 20% of its capital contribution is contributed directly or indirectly by company incorporated outside Malaysia or non-Malaysian citizens.

Effective
YA 2024

Corporate Tax

Definition of “Plant”

Current

Paragraph 70A, Schedule 3:

In this Schedule, “plant” means an apparatus used by a person for carrying on his business but does not include:

- a building;
- **an intangible asset;** or
- any asset used and that functions as a place within which a business is carried on.

Proposed

“Plant” means an apparatus used by a person for carrying on his business but does not include:

- a building;
- any asset used and that functions as a place within which a business is carried on; or
- **any asset prescribed by the Minister.**

Effective

YA 2023

Corporate Tax

Withholding Tax Payment Period for Agent, Dealer or Distributor (“ADD”)

Current

Tax deduction on payments made to ADD must be remitted to the Director General of Inland Revenue Board (“DGIR”) within 30 days after paying or crediting such payment.

Proposed

Tax deduction on payments made to ADD in a calendar month , shall be remitted to the DGIR not later than the end of the following calendar month.



Effective

1 January 2023



Corporate Tax

Relief Other Than in Respect of Error or Mistake Including Payment under Section 107D

Current

Application for relief (other than error or mistake) is only allowed for withholding tax made for non-resident that is not due to be paid as follows:

- Contract payment
- Interest and royalty
- Public entertainer
- Special classes of income
- Other income

Proposed

The expansion on the scope of relief under Section 97A and 131A includes payment due to be paid by the paying company to agent, dealer or distributor (“ADD”)

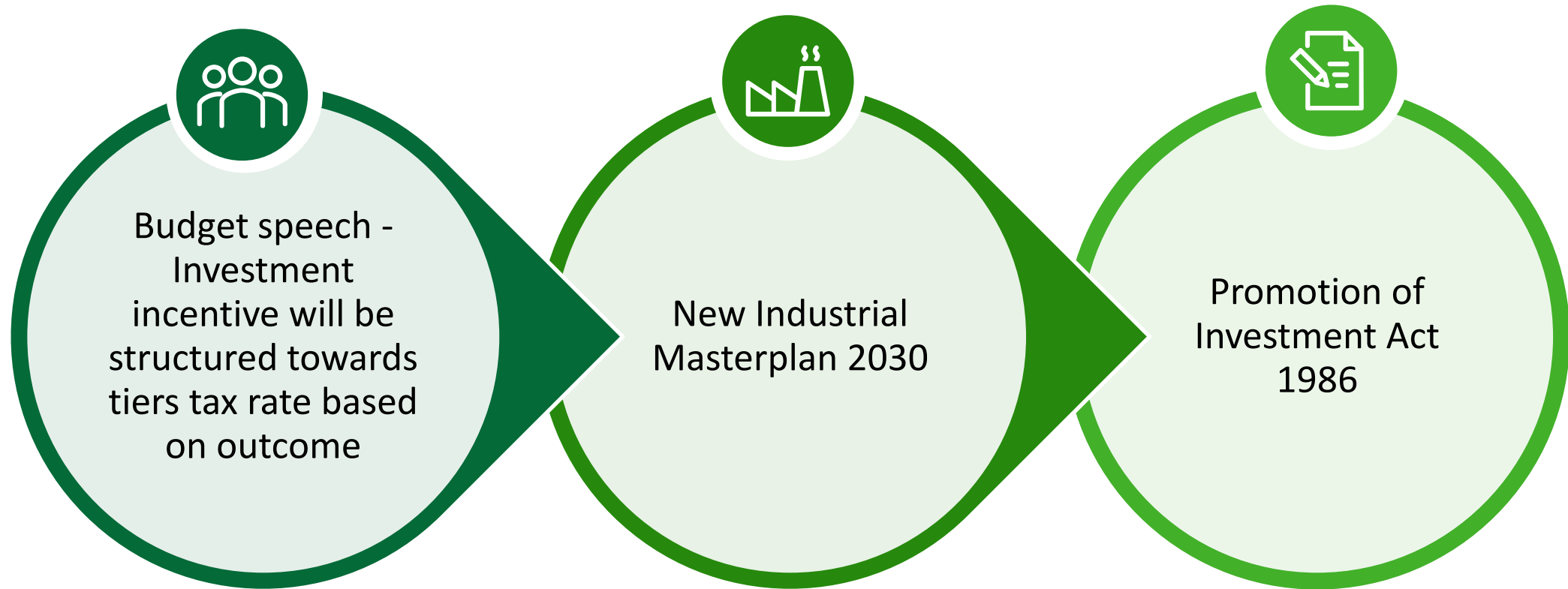


Effective

1 January 2023

Tax incentives

Revamping our tax incentives



Tax Incentives

Tax Deduction for Sponsorship of Smart Artificial Intelligence (AI)-Driven Reverse Vending Machine

Current

Tax deductions under Section 34(6)(h) of the ITA can be given to any relevant person on provision of services, public amenities and contributions to a charity or community project as follows:

- Education;
- Health;
- Housing;
- Conservation or preservation of environment;
- Enhancement of the income of the poor;
- Infrastructure;
- Information and communication technology; or
- Maintenance of a building designated as a heritage site.

Proposed

Tax deduction under Section 34(6)(h) of the ITA extended to cover donations or sponsorships of Smart Artificial Intelligence (AI)-Driven Reverse Vending Machine.

Eligible taxpayers:

- Companies; and
- Other than companies (individuals, partnerships, trusts, and cooperatives that have business income)



Effective

For contributions/sponsorship and applications received by MOF from 1 April 2023 until 31 December 2024

Tax Incentives

Tax Incentive for Company Renting Non-Commercial Electric Vehicle

Current

Companies renting non-commercial motor vehicles, including electric vehicle (EV) are given tax deduction under Section 39(1)(k), Income Tax Act 1967 as follows:

- i. Cost of new vehicle not exceeding RM150,000, the maximum rental amount allowed for tax deduction is limited up to RM100,000; and
- ii. Cost of new vehicle exceeding RM150,000 or used vehicle, the maximum rental amount allowed for tax deduction is limited to RM50,000.

Proposed

Maximum tax-deductible rental expense for non-commercial EV is increased to RM300,000



Effective

YA 2023 to YA 2025

Tax Incentives

Tax Incentives for Manufacturer of Electric Vehicle Charging Equipment

Proposed

Income tax exemption of 100% on statutory income from the year of assessment 2023 to the year of assessment **2032**.

Note: Companies that make investments after the year of assessment 2023 are eligible to enjoy the remaining exemption period only.

or

Investment Tax Allowance of 100% for a period of 5 years and can be set-off against up to 100% of the statutory income for each year of assessment.



Effective

For applications received by the Malaysian Investment Development Authority (MIDA) from 25 February 2023 until 31 December 2025.

Tax Incentives

Tax Incentives for Carbon Capture and Storage

CCS comprises of 3 activities as follows:

- carbon capture;
- transportation of captured CO₂; and
- underground or sea bed carbon storage.

Proposed

CCS Activities	Income Tax Exemption ¹		Investment Tax Allowance ¹			Tax Deduction ²
	Statutory Income	Incentive Period	Qualifying capital expenditure	Set off against Statutory Income	Incentive Period	
In-house	N/A	N/A	100%	100%	10 years	Allowable pre-commencement expenses within 5 years from date of commencement of operation
Service provider ³	70%	10 years	100%	100%	10 years	N/A
Service recipient	N/A	N/A	N/A	N/A	N/A	Fees incurred for use of services

1. For applications received by Ministry of Finance from 25 February 2023 until 31 December 2027.
2. Tax deduction can be claimed through the Income Tax Return Form from the year of assessment 2023 until the year of assessment 2027.
3. The service provider can only apply either investment tax allowance or income tax exemption.

Tax Incentives

Review of Tax Incentives for BioNexus Status Company

	Income Tax Exemption			
	Current		Proposed	
	% of Statutory Income	Incentive Period	% of Statutory Income	Incentive Period
New business	70%	10 years	100%	10 years
Existing business (expansion project)	70%	5 years	100%	5 years



Effective

Extended for another 2 years for applications received by Malaysian Bioeconomy Development Corporation from 1 January 2023 until 31 December 2024.

Tax Incentives

Tax Deduction on Cost of Listing in Bursa Malaysia

Current

- ✓ Tax deduction on cost of listing for:
 - Technology-based companies listed on Access, Certainty, Efficiency (“ACE”) Market
 - MSMEs listed on Leading Entrepreneur Accelerator Platform (“LEAP”) Market
- ✓ Tax deduction up to RM1.5 million from YA 2020 to 2022 on the following expenses:
 - Fees to authorities;
 - Professional fees; and
 - Underwriting, placement and brokerage fees

Proposed

Extended for a period of 3 years

Scope of tax deduction be **expanded** to include technology-based companies listed on **Bursa Main Market**



Effective
YA 2023 to YA 2025



Tax Incentives

Tax Deduction on Issuance Cost of Sustainable and Responsible Investment (“SRI”) Linked Sukuk

Current

Tax deduction is allowed on the cost of issuance or offering of a SRI Sukuk **approved** or **authorized by**, or **lodged with** the Securities Commission Malaysia (“SC”) from YA 2016 to YA 2023

Proposed

Tax deduction for expenditure incurred on the issuance of SRI-linked Sukuk that is approved or permitted or deposited with the SC for a period of **5 years**.



Effective

YA 2023 to YA 2027



Extension of Tax Incentives

Aerospace Industry



Companies in Malaysia undertaking high-value activities as follows:

- Manufacturing or assembly of systems, devices, parts or components
- Maintenance, repair and overhaul for aircraft systems, devices, parts or components
- Engineering and design / services

New company

- Income tax exemption of 70% - 100% for a period between 5 to 10 years
- Investment Tax Allowance of 60% - 100% for a period of 5 years
 - ✓ set-off against 70% - 100% of statutory income for each YA

Existing company

- Investment Tax Allowance of 60% for a period of 5 years
 - ✓ set-off against 70% of statutory income for each YA



Proposed

Extended for a period of **3 years**



Effective

For applications received by MIDA from 1 January 2023 until 31 December 2025

Tax Incentives

Extension of Tax Incentives for Manufacturing Sector that Relocates its Operation to Malaysia



Current

New company – 0% Tax Rate

- Capital investment between RM300 million to RM500 million for a period of 10 years; or
- Capital investment > RM500 million for a period of 15 years

Existing company

- 100% Investment Tax Allowance on QCE incurred within 5 years and
 - ✓ set-off against 100% of the statutory income

Non-citizen individual holding key position (C-Suite)

- Tax rate of 15% for a period of 5 years

Proposed

- Extend the tax incentive given to manufacturing companies that relocate to Malaysia
- Encourage creation of high value jobs in Malaysia



Effective

For applications received by MIDA from 1 January 2023 until 31 December 2024

Tax Incentives

Enhancement of Accelerated Capital Allowance (“ACA”) in Manufacturing, Services and Agriculture Sector

Current

Qualifying capital expenditure (“QCE”) incurred by manufacturing and services companies are given the following tax incentives:

- **Category 1:** Labour-intensive industry (rubber, plastic, wood, and textile products)
 - ✓ 100% ACA for automation equipment on the 1st RM4 million for QCE incurred and can be fully utilised within 1 year
- **Category 2:** Industries other than Category 1 (including services sector)
 - ✓ 100% ACA for automation equipment on the 1st RM2 million for QCE incurred and can be fully utilised within 1 year
- For applications received by Malaysian Investment Development Authority (“MIDA”) until 31 December 2023



Proposed

- Scope of automation to include the adaptation of Industry 4.0 elements;
- Scope of tax incentive is expanded to include agriculture sector; and
- Capital expenditure threshold for categories 1, 2 and agriculture be aligned and increased up to RM10 million.



Effective

For applications received by MIDA and Ministry of Agriculture and Food Security (“MAFS”) from 1 January 2023 until 31 December 2027

Corporate Tax

Special Tax Deduction for Expenditure on Malaysian-Made Handicraft

Current

- ✓ Capital allowances given to first purchase of qualifying asset (Schedule 3 of the ITA).
- ✓ Tax deduction given to subsequent purchase for replacement of the asset valued < RM2,000 (Section 33 of the ITA).



Proposed

- ✓ Special tax deduction up to RM150,000 for expenditure incurred by hoteliers on qualified Malaysian-made handicraft purchased from local handicraft entrepreneur registered with the Malaysian Handicraft Development Corporation.
- ✗ Tax deduction does not apply to expenditure that has been claimed under Section 33 or Schedule 3 of the ITA.






Effective

For qualifying handicraft products expenditure incurred from 1 January 2023 until 31 December 2025




Extension of Tax Incentives

Food Production Project

Current

-  A company **investing** in a subsidiary company engaging in new food production project:
 - ✓ Tax deduction equivalent to the amount of investment made
-  A company **engaging** in food production project:
 - ✓ New project – 100% income tax exemption on statutory income for 10 YAs
 - ✓ Expansion project for existing company – 100% income tax exemption on statutory income for 5 YAs
-  For applications received by the Ministry of Agriculture and Food Security (“MAFS”) from 1 January 2021 until 31 December 2022

Proposed

-  Scope of tax incentive is expanded to include agricultural projects based on Controlled Environment Agriculture; and
-  Application period for tax incentives will be **extended for 3 years.**
-  **Effective**
For applications received by MAFS from 1 January 2023 until 31 December 2025

Tax Incentives

Chicken Rearing in Closed House System

Current

- Reinvestment allowance (“RA”) for a period of 15 consecutive years was given to chicken and duck rearers who shifted from opened house system to closed house system.
- YA 2009 – expanded to cover expansion project.
- This RA was given until YA 2010.

Proposed

Qualifying capital expenditure incurred from YA 2023 until YA 2025 is given the following tax incentives:

- Accelerated Capital Allowance (“ACA”) 100%; and
- Income tax exemption of 100%.



Effective

YA 2023 to YA 2025



Tax Incentives

Income Tax Exemption for Charitable Hospital



Private hospital **OR** medical center carrying on charitable activities are eligible to claim **either one** of the following tax incentives:

A

Existing treatment under Charitable Hospital - Subsection 44(6) of the Act

- Income tax exemption limited to amount of donation received
- Tax deduction up to 10% of aggregate income is given to cash donation made by donor to *tabung kebajikan hospital*

B

Tax Incentive as a project of national interest under Subsection 127(3A) of the Act

- Charitable hospital (registered as Company Limited by Guarantee) be given income tax exemption equivalent to the amount of expenditure incurred for charity purposes for a period of 5 YAs
- Establishment of a committee to consider the application relating to the above tax incentive

Extension of Tax Incentives

Child Care Allowance and Cost of Establishing Child Care Centres Within Offices

Current

Income Tax (Deduction for the Provision of Child Care Centre) Rules 2013 :-



Provision and maintenance of child care centre

- Tax deduction on expenses incurred by the employer for the provision and maintenance of a child care centre provided for the benefit of the employees



Child care allowances

- Tax deduction on child care allowances paid by the employer to his employees who have children



Further tax deduction

- Further tax deduction on expenses incurred by employer in respect of the provision and maintenance of child care centres + child care allowances paid to employees (i.e. in addition to any deduction mentioned above)

Proposed



To support working mothers, the Government shall examine the need of enforcing mandatory establishment of such child care facilities if response from the employers are lacking.

Tax Incentives

Expansion of Scope of Tax Deduction for the Employment of Inmate and Ex-Inmate of Henry Gurney School and Institutions under Social Welfare Department



Employer

Current

- Further tax deduction are given to employers on the employment of senior citizens, ex-drug dependants, convicts categorised as parolees and supervised persons from YA 2019 to YA 2025.
- Conditions:
 - employment is on a full-time basis;
 - monthly remuneration ≤ RM4,000;
 - employer and employee are not the same person; and
 - employer is not a relative of the employee

Proposed

- Expansion of scope of further tax deduction given to employers that employ senior citizens and ex-convict to include remuneration paid to **inmate** and **ex-inmate** of:
 - Henry Gurney School under Malaysian Prison Department; and
 - Protection and rehabilitation institution and non-government care centres registered under the Social Welfare Department.



Effective

YA 2023 to YA 2025

Tax Incentives

Project with Nasional Interest Approved by the Minister

- Contributions to Tabung Komuniti Filem and National Film Development under FINAS will be given tax deduction up to 10% of aggregate income.
- Total contribution allowed is restricted to RM10 million.



Effective

1 January 2023

Tax Incentives

Sports Development

Tax deduction of up to 10% of aggregate income be given to individuals or companies that contribute to non-profit organisations that implement sports development program at the grassroots level.



Tax deduction for employers who hire former national athletes.

Stamp Duty

Stamp Duty

Extended period of Stamp Duty Exemption on Restructuring or Rescheduling of Loan / Financing Agreement

Full stamp duty exemption on:

Restructuring or rescheduling of a loan / financing agreement between a borrower or customer and a financial institution executed from 1 January 2022 until 31 December 2022 is **subject to the following conditions:**

- ✓ The existing instrument of loan / financing agreement has been duly stamped under item 22 or 27 of the First Schedule to the Stamp Act 1949; and
- ✓ The restructuring or rescheduling of loan / financing agreement does not contain the element of additional value to the original amount of loan or financing under the existing instrument of loan / financing agreement.

Extended for 2 years



Effective

For restructuring or rescheduling of loan / financing agreement executed from 1 January 2023 until 31 December 2024.

Stamp Duty

Instrument under Items 27(d) & 32(c) of First Schedule to the Stamp Act 1949

Current

- Security Instrument
 - Mortgage obtained from financial institutions licensed under the Financial Services Act 2013 and Islamic Financial Services Act 2013

Duty: RM10

Proposed

- The scope is expanded to security instrument obtained from any statutory body, agency of the Government or of the State Government, or any company in which the Government or the State Government has interest, which provides financing to a small and medium enterprise

Duty: RM10



Effective

Upon coming into operation of the Finance Act

Stamp Duty

Initiatives for First Time Home Buyers



To encourage home ownership, it is proposed that stamp duty exemption be given for first time home buyers on transfer documents and loan agreements.

Value of 1st residential home: Stamp duty exemption

RM500,000 and below	100%
Over RM500,000 to RM1 million	75%

Stamp Duty

Stamp Duty Treatment for Transfer of Property by Way of Love and Affection

Instrument of Transfer of Property Executed between	Stamp Duty Rate	
	Current	Proposed
Husband and wife	100% exemption	100% exemption
Parents and children	50% remission	<ul style="list-style-type: none">First RM1million of the property value – 100% exemptionAny amount in excess of RM1million – 50% remission <i>Condition: Recipients must be Malaysian citizens</i>
Grandparents and grandchildren	Ad valorem	



Effective

For instrument of transfer of property executed from 1 April 2023

Stamp Duty

Stamp Duty for Educational Loan / Scholarship Agreement

Educational Loan / Scholarship Agreement	Current	Proposed
Tertiary education level (diploma and above) at higher learning institutions	RM 10	RM 10
Other levels, including certificate (education/skills/professionals) in any educational and training institutions	Ad valorem	



Effective

For educational loan / scholarship agreement executed from 1 June 2023.



Stamp Duty

Online Stamping System

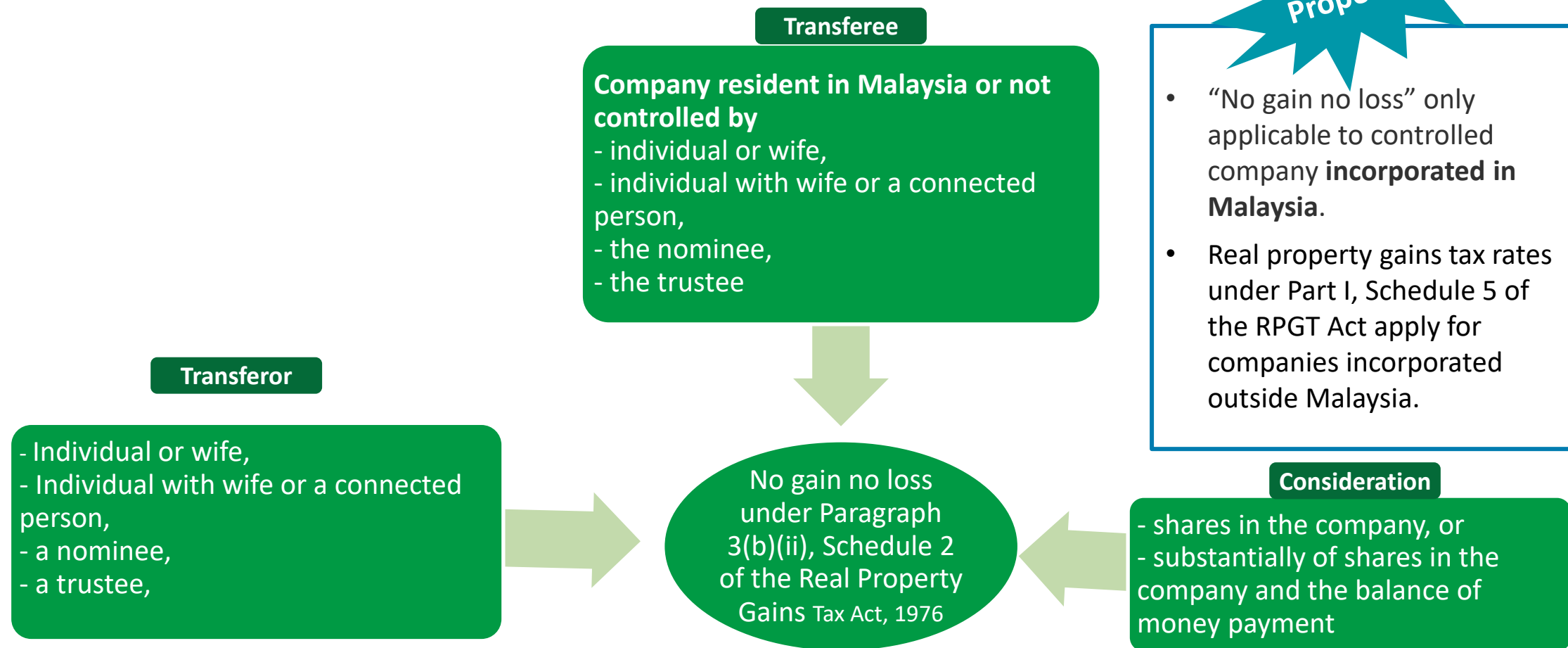
By 2024, all adjudications of instrument and stamp duty payments to be done fully online through the Stamp Assessment and Payment System (STAMPS).

The use of Revenue Stamps (Setem Hasil) and cheque for stamp duty payment will be abolished from 1 January 2024.

Real Property Gains Tax

Real Property Gains Tax

Transfer of Assets to A Controlled Company



Effective

Upon coming into operation of the Finance Act

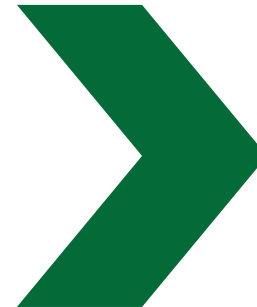
Real Property Gains Tax

Transfer of Real Property by Order of Court Pursuant to a Divorce Settlement

Current

Transfer of real property between former spouses due to dissolution or annulment of their marriage by decree or court order is subject to the following tax rates under Part 1 of Schedule 5:

Category of Disposal	Tax Rate
Within 3 years after date of acquisition	30%
In 4 th year after date of acquisition	20%
In 5 th year after date of acquisition	15%
In 6 th year after date of acquisition	NIL



Proposed

Disposal price = Acquisition price
("No gain, no loss")

Per Subsection 3(1)(b)(ia) of Schedule 2



Effective

**Upon coming into operation of
the Finance Act**



Tax Administration

Tax Administration

Tax Identification Number

Year 2023

Automatic assignment of Tax Identification Number (“TIN”) to citizen or permanent resident attaining the age of 18 years old with effect from year 2023.

Phase 2

TIN is mandatory to be used for stamping of the following documents and instruments:

- Transfer of property
- Transfer of shares
- Transfer of business

Others

TIN will be used in the following:

- Financial transactions and banking institutions
- Business invoices

Tax Administration

Mandatory Submission of Income Tax Return Form and Amended Return Form by e-Filing

Compulsory submission of return form via electronic medium or by way of electronic transmission:

Form	Category
Income Tax Return Form	All
Amended Return Form	Company, Limited Liability Partnership (“LLP”), Trust Body and Co-operative Society
Return Form of Employer (Form E)	Company, LLP, Trust Body and Co-operative Society



Effective

YA 2024

Tax Administration

Tax Instalment Payment (For Deemed Assessment) under Subsection 103(3) and 103(7) of the ITA

Current

The DGIR is empowered to allow payment of tax by way of instalments for formal assessment raised under Subsections 90(3), 91, 92, 96A or review under Subsection 101(2).



Proposed

Allow balance of tax on deemed assessment to be paid in instalments.



Effective

YA 2023

Tax Administration

Amendment to Instalment Payments (CP500)

Current

Any person other than a company, trust body, co-operative society or limited liability partnership is allowed to apply to the Inland Revenue Board to amend the instalment payments (CP500) not later than 30 June of the relevant year of assessment.

Proposed

Allow application to amend the instalment payments not later than 30 June and / or 31 October of the relevant year of assessment.



Effective
YA 2023

Contact Details



Thin Siew Chi

Executive Director
Business Tax
Deloitte Malaysia

Tel: 03 7610 8878

Email: sthin@deloitte.com

Siew Chi has more than 20 years of experience in both corporate tax compliance and tax advisory work serving a diversified portfolio of local and multinational clients engaged in a wide range of industries such as trading, manufacturing, telecommunications, technology, plantations, property, retail and other services sectors. Her tax advisory experience includes advising on various financial and business transactions, tax incentives, international tax planning on cross border transactions (inbound and outbound investments), structuring of mergers and acquisitions, group restructuring exercises, tax review and tax due diligence work.

Siew Chi holds a Bachelor of Commerce degree specializing in Accounting and Finance from the University of Melbourne, Australia and is a member of CPA Australia, the Malaysian Institute of Accountants and the Chartered Tax Institute of Malaysia.



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