

Monthly Tax Update

- July 2018 -

Highlights:

Income Tax

1.0 P.U. (A) 156

2.0 Public Ruling

No. 07/2017

Sales and Services

Tax

3.0 Implementation
of Sales and
Services Tax

INCOME TAX

1.0 P.U. (A) 156

On 05 July 2018, Attorney-General's Chambers published Income Tax (Accelerated Capital Allowance) (Information and Communication Technology Equipment) Rules 2018 in e-Federal Gazette.

Effective Year of Assessment 2017, both initial allowance and annual allowance shall be equal to one-fifth of the capital expenditure incurred for the purchase of information and communication technology equipment.

For more information, please refer to the link below:

[http://www.federalgazette.agc.gov.my/output/pua_20180705_P.U.%20\(A\)%20156.pdf](http://www.federalgazette.agc.gov.my/output/pua_20180705_P.U.%20(A)%20156.pdf)

2.0 Public Ruling No. 07/2017

On 06 July 2018, Inland Revenue Board Malaysia amended Public Ruling on "Disposal Of Plant Or Machinery Part I - Other Than Controlled Sales" to include a new example (Example 9) on the computation of balancing charge or allowance for motor vehicles.

For more information, please refer to the link below:

http://lampiran1.hasil.gov.my/pdf/pdfam/PR_7_2017_AMD_06072018.pdf

SALES AND SERVICES TAX

3.0 Implementation of Sales and Services Tax

On 19 July 2018, Royal Malaysian Customs Department issued the following:

- (i) Proposed Sales Tax Implementation Model
For more information, please refer to the link below:
<http://www.customs.gov.my/ms/sst/Sales%20Tax/Presentatio n%20Sales%20Tax%20-%2017.7.2018.pdf>
- (ii) Proposed Goods Exempted from Sales Tax
For more information, please refer to the link below:
<http://www.customs.gov.my/ms/sst/Sales%20Tax/Proposed% 20Goods%20Exempted%20From%20Sales%20Tax%20-%2016072018.pdf>

- (iii) Frequently Asked Questions (FAQ) – Sales Tax 2018
For more information, please refer to the link below:
[http://www.customs.gov.my/ms/sst/Sales%20Tax/FAQ%20\(BI\)%20Sales%20Tax%202018.pdf](http://www.customs.gov.my/ms/sst/Sales%20Tax/FAQ%20(BI)%20Sales%20Tax%202018.pdf)

- (iv) Proposed Service Tax Implementation Model
For more information, please refer to the link below:
<http://www.customs.gov.my/ms/sst/Service%20Tax/Presentation%20Service%20Tax%20-%20201.7.2018.pdf>

- (v) Frequently Asked Questions (FAQ) – Service Tax
For more information, please refer to the link below:
[http://www.customs.gov.my/ms/sst/Service%20Tax/FAQ%20\(BI\)%20Service%20Tax.pdf](http://www.customs.gov.my/ms/sst/Service%20Tax/FAQ%20(BI)%20Service%20Tax.pdf)

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