

Monthly Tax Update

-November 2018-

Highlights:

Income Tax

- 1.0 Practise Note
No. 4/ 2018
- 2.0 Special
Voluntary
Disclosure
Programme
- 3.0 Transfer Pricing

Sales and Service Tax

- 4.0 Specific Guide
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- 6.0 Sales and
Service Form

INCOME TAX

1.0 Practice Note No. 4/2018

On 23 October 2018, Inland Revenue Board (IRB) has issued Practice Note No. 4/2018 (only in Malay version).

This practice note provide guidance on the computation of management expenses incurred - provided under Section 60AA(10B) of the Income Tax Act 1967.

The practice notes explains the formula used to determine the amount of management expenses deductible from any other fee receivable in respect of the general fund, investment fund from the family fund etc.

For more information, please refer to the link below:

http://lampiran1.hasil.gov.my/pdf/pdfam/nota_amalan_4_2018.pdf

2.0 Special Voluntary Disclosure Programme

On 2 November 2018, IRB issued a media release regarding the Special Voluntary Disclosure Programme.

For more information, please refer to the link below:

http://lampiran1.hasil.gov.my/pdf/pdfam/IRBMMediaRelease_02_1120182_SPECIALVOLUNTARYDISCLOSUREPROGRAMME.pdf

On 3 November 2018, IRB released Operational Guidelines No. 1/2018 which covers further detail on the implementation, how penalty rates are applied and payment requirements.

For more information, please refer to the link below:

http://lampiran1.hasil.gov.my/pdf/pdfam/GO_012018_02.pdf

On 26 November 2018, IRB has released an amended version of its Special Voluntary Disclosure Guidelines.

The Operational Guidelines No. 1/2018 dated 3 November 2018 has been superseded by Operational Guidelines No. 1/2018 (Amendment) dated 26 November 2018.

For more information, please refer to the link below:

http://lampiran1.hasil.gov.my/pdf/pdfam/GO_012018_02_amd_2_7112018.pdf

INCOME TAX

On 3 November 2018, IRB has released FAQs on Special Voluntary Disclosure Programme which covers categories of taxpayers, the Year of Assessments, audit/investigation cases, voluntary disclosure procedures, penalty rates, appeals and tax payment.

For more information, please refer to the link below:
http://lampiran1.hasil.gov.my/pdf/pdfam/FAQVD_BI.pdf

3.0 Transfer Pricing

On 1 November 2018, IRB has released FAQs on transfer pricing, which covers issues under Chapter II – The Arm’s Length Principle and Chapter XI – Documentation.

For more information, please refer to the link below:
http://lampiran1.hasil.gov.my/pdf/pdfam/FAQ_as_at_01112018.pdf

SALES AND SERVICE TAX

4.0 **Specific Guide**

- (i) The Guide on Food and Beverages as at 28 August 2018 is withdrawn and replaced by the Guide on Food and Beverages as at 2 November 2018.

For more information, please refer to the link below:

https://mysst.customs.gov.my/assets/document/Industry%20Guides/1.%20Guide%20on%20FnB_02112018-V3.pdf

5.0 **Industry Guides**

- (i) The Guide on Information Technology Services as at 9 September 2018 is withdrawn and replaced by the Guide on Information Technology Services as at 9 November 2018.

For more information, please refer to the link below:

https://mysst.customs.gov.my/assets/document/Industry%20Guides/Guide%20on%20IT%20Services_091120182-v3.pdf

- (ii) The Guide on Advertising Services as at 23 August 2018 is withdrawn and replaced by the Guide on Advertising Services as at 9 November 2018.

For more information, please refer to the link below:

https://mysst.customs.gov.my/assets/document/Industry%20Guides/1.%20Guide%20on%20Advertising_09112018-v2.pdf

- (iii) The Guide on Telecommunication Services as at 21 August 2018 is withdrawn and replaced by the Guide on Telecommunication Services as at 31 October 2018.

For more information, please refer to the link below:

<https://mysst.customs.gov.my/assets/document/Industry%20Guides/1.%20Guide%20on%20Telecommunication-02112018-V3.pdf>

6.0 **Sales and Service Tax Form**

On 22 November 2018, Royal Malaysian Customs Department (RMCD) has released Form JKDM No. 2, in respect of claim for refund, drawback of duty, tax and others.

For more information, please refer to the link below:

<https://mysst.customs.gov.my/assets/document/SST%20Form/JKDM%20No.%202.pdf>

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