

Monthly Tax Update

- March 2019 -

Highlights:

Income Tax

- 1.0 Special Voluntary Disclosure Programme
- 2.0 Public Ruling No. 2/2019
- 3.0 Form BE for the Year of Assessment 2018
- 4.0 Income Tax Exemption on Rental Income

Sales and Service

Tax

- 5.0 SST Payment

INCOME TAX

1.0 Special Voluntary Disclosure Programme

On 08 March 2019, Inland Revenue Board Malaysia (IRBM) issued media release to emphasis that IRBM will accept the declaration made in good faith and no audit or investigation will be carried out in the future for the period in which the declaration was made.

For more information, please refer to the link below:

http://lampiran1.hasil.gov.my/pdf/pdfam/IRBM_Media_08032019_NO_AUDIT_OR_INVESTIGATION_FOR_THOSE_TAKING_PART_SVDP.pdf

2.0 Public Ruling No. 2/2019

On 14 March 2019, IRBM issued first edition of Public Ruling on Director's Liability.

This Public Ruling illustrates liabilities of director in respect of the company's tax. A director who holds 20% or more of ordinary share capital in a company (direct and/or indirect shareholding) will be held liable for:

- the payment of corporate income tax; and
- Monthly Tax Deduction (MTD)

For more information, please refer to the link below:

http://lampiran1.hasil.gov.my/pdf/pdfam/PR_02_2019.pdf

3.0 Form BE for the Year of Assessment 2018

Individual taxpayers who do not carry on business should submit Form BE for the Year of Assessment 2018 by 30 April 2019.

For more information on filing of Form BE, please refer to the link below:

http://lampiran1.hasil.gov.my/pdf/pdfam/Explanatory_Notes_BE2_018_2.pdf

4.0 Income Tax Exemption on Rental Income

On 27 February 2019, Attorney-General's Chambers published Income Tax (Exemption) (No. 2) Order 2019 in e-Federal Gazette (P.U. (A) 55).

This Order exempts a landlord from the payment of income tax in respect of 50% of his statutory income derived from the rental of his residential property, subject to the following conditions:

- the landlord shall be an individual citizen who resides in Malaysia and is the registered proprietor of his residential property;
- the monthly rental amount received from each residential property does not exceed RM2,000;
- the executed and stamped tenancy agreement between the landlord and the tenant comes into effect on or after 1 January 2018; and
- the residential property is rented out for any period from 1 January 2018 until 31 December 2018.

For more information, please refer to the link below:

[http://www.federalgazette.agc.gov.my/outputp/pua_20190227_P.U.%20\(A\)%2055.pdf](http://www.federalgazette.agc.gov.my/outputp/pua_20190227_P.U.%20(A)%2055.pdf)

SALES AND SERVICE TAX

5.0 SST Payment

On 18 March 2019, Royal Malaysian Customs Department (RMCD) has announced that RMCD will only accept SST payment via walk-in to the Customs Processing Centre counter until 1 April 2019.

For more information, please refer to the link below:

<https://mysst.customs.gov.my/assets/document/Annoucement/NOTIS%20PENAMATAN%20PENERIMAAN%20CEK.pdf>

Disclaimer: interested parties are advised to contact the Company for further details after reading the contents of this tax update. Neither the company, partners nor member firms, their councils or any of their committees shall be held responsible or liable for any claims, loss, damages, costs or expenses arising in any way out of or in connection with any person relying upon such views without referring to the Company first.