



SPECIAL TAX INCENTIVE FOR COVID-19 IMPACT



CAS TAX SERVICES SDN BHD

2 April 2020

"Achieving Success Together"



Content

		Page
1	Introduction	3
2	Accelerated Capital Allowance on machinery and equipment including ICT equipment	4
3	Special tax deduction on costs of renovation & refurbishment for business premises	5
4	Domestic Investment Strategic Fund	6 - 7
5	Tax deduction for donations and contributions made to the COVID-19 Fund	8 - 9
6	Contact	10



Introduction

Dear valued clients, we noted that this is a tough time for everybody. The Covid-19 pandemic poses challenges for businesses and adversely affect business operations.

CAS Tax Department has compiled relevant tax incentives that might be relevant for your business. We are pleased to share these incentives for your kind perusal.

Please do not hesitate to contact us should you wish to discuss further or would like to obtain further clarification.

Together, we can achieve success! Stay safe 😊



Accelerated Capital Allowance on machinery and equipment including ICT equipment

Initial allowance of 20% and annual allowance of 40% will be given for qualifying capital expenditure incurred from 1 March 2020 to 31 December.





Domestic Investment Strategic Fund

Matching grant for companies producing promoted products / engaged in promoted activities in priority sectors.

Manufacturing:

Aerospace, medical devices, pharmaceuticals, advanced electronics, machinery and equipment and other industries, on a case by case basis.

Services:

Design and development, research and development, testing / calibration, quality and standard certification, architectural / engineering services, technical and/or skills training, logistics service providers, ICT solutions providers related to automation and industry 4.0, integrated green technology project.



Domestic Investment Strategic Fund

The Fund will cater for expenditures incurred for the following activities:

- ❖ Training of Malaysians
- ❖ R&D activities carried out in Malaysia
- ❖ Modernization and upgrading of facilities and tools to undertake manufacturing or services activities for Multinational Corporations (MNCs) and Malaysian conglomerates (outsourcing activities)
- ❖ Obtaining international standards/ certification
- ❖ Licensing or purchase of new/ high technology



Tax deduction for donations and contributions made to the COVID-19 Fund

Tax deductions will be given for those who donate cash or items to curb the spread of COVID-19 outbreak and to help the people affected by the outbreak.

The incentives are as follow:

❖ COVID-19 Fund (Ministry of Health Malaysia)

Type of donation : cash and goods

❖ COVID-19 Fund (National Disaster Management Agency, Prime Minister's Department)

Type of donation : cash only



Tax deduction for donations and contributions made to the COVID-19 Fund

- ❖ Donations to approved institutions/ organisations under subsection 44 (6) ITA 1967.

For more information, please refer to the link below (in Malay language only):

http://lampiran1.hasil.gov.my/pdf/pdfam/Media_LHDNM_26032020_INS_ENTIF_POTONGAN_CUKAI_BAGI_SUMBANGAN KEPADA TABUNG_COVID19.pdf





THANK YOU

CAS TAX SERVICES SDN BHD

B-5-1, IOI Boulevard,
Jalan Kenari 5,
Bandar Puchong Jaya,
47170 Puchong,
Selangor, Malaysia.

Tel : +603-8075 2300/80/81
Fax : +603-8600 5463
Email : enquiry@cas.net.my
Website : www.cas.net.my

Mr. Chen Voon Hann
Ms. Shameera
Ms. Nurul Atikah
Ms. Bridgette Ng
Ms. Chi Yiu
Mr. Adam

– (ext. 105) vhchen@cas.net.my
– (ext. 113) shameera@cas.net.my
– (ext. 117) nurulatikahanis@cas.net.my
– (ext. 125) bridgette@cas.net.my
– (ext. 115) chiyi@cas.net.my
– (ext. 118) adam@cas.net.my