



<p><b>2.</b></p>	<p><b>NOTICE OF MEETING</b></p> <p>The Chairman informed that the notice convening the 17<sup>th</sup> Annual General Meeting was sent out to members in accordance with the Institute’s Articles of Association and enquired whether there were any objections to the validity of the meeting. No objections were raised.</p> <p>The Chairman informed that as there were no objections to the validity of the meeting, the notice of meeting will be taken as read.</p>
<p><b>3.</b></p>	<p><b>DETERMINATION OF QUORUM</b></p> <p>The Executive Director confirmed that there were 75 members present and that there was a quorum.</p>
<p><b>4.</b></p>	<p><b>PRESIDENT’S ADDRESS</b></p> <p>4.1 The Chairman thanked members for the support given to the Institute and briefed the AGM on the current developments, activities and significant changes of the Institute in the past year and highlighted the following issues:-</p> <p>4.1.1 The Institute effected a change in its name and logo as a result of its rebranding exercise. This change is expected to bring about continued enhancement of the Institute’s stature as the premier tax organisation in Malaysia.</p> <p>4.1.2 Memorandums of Understanding (MoU) were signed with two foreign tax bodies, namely, the Taxation Institute of Australia and the Chinese Certified Tax Agent Association. The objectives of the MoUs are to promote the exchange of information regarding the tax legislation in each jurisdiction and to conduct training and continuous professional development (CPD) events which will mutually benefit both parties. An MoU was also signed with ACCA Malaysia to collaborate in organising CPD programmes on taxation for the benefit of members of both organisations in Malaysia.</p> <p>4.1.3 The Institute continued to update members on current tax information through CPD events in the Klang Valley and in major towns throughout the country. The National Tax Conference (NTC) which was organised jointly with the Inland Revenue Board (IRB) was held in August 2008. The Conference attracted a record of 2,000 participants. Budget seminars were also organised nationwide following the tabling of the 2009 Budget in August 2008.</p> <p>4.1.4 The Institute continued to hold dialogues with the IRB, the Royal Customs Malaysia and the Ministry of Finance (MOF) to discuss and seek clarifications on relevant issues raised by members. The Joint Public Rulings</p>

	<p>Working Group had also been submitting comments on draft public rulings to the IRB. A Joint Tax Working Group on Financial Reporting Standards comprising the Institute, the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA) was set up to study the tax impact of adopting the various reporting standards. The Institute has also been participating in the Convergence Task Force of the Malaysian Accounting Standards Board with the objective of coordinating efforts in the transition to International Financial Reporting Standards.</p> <p>4.2 The Chairman expressed his gratitude to the authorities for their continued support to the Institute and in particular the Tax Analysis Division and the Tax Review Panel of the Ministry of Finance, the Inland Revenue Board, the Royal Customs Malaysia, the Professional Services Development Corporation, PEMUDAH and numerous other organisations that have approached the Institute to provide assistance and input. The Chairman also extended his personal thanks to Datuk Aziyah bt. Bahaudin, Dato' Hasmah bt. Abdullah, Dato' Hj. Ibrahim bin Hj. Jaapar and other heads of government and regulatory authorities for their assistance and support of the Institute and its activities.</p> <p>4.3 The Chairman concluded his address with a note of thanks to members for their support and to Council members and secretariat staff for their dedication and commitment.</p>
<p><b>5.</b></p>	<p><b>ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE INSTITUTE</b></p> <p>5.1 The Chairman announced that the annual report and financial statements of the Institute for the financial year ended 31 December 2008, with the report of the auditors, had been circulated earlier with the notice of the AGM. This was being tabled at the meeting pursuant to Article 64 of the Articles of Association and Section 169 of the Companies Act 1965.</p> <p>5.2 The Chairman requested for a proposer for the motion that the annual report and financial statements of the Institute be received. Mr. Ng Soo Har (1977) proposed that the annual report and the financial statements be received and this was seconded by Mr. Chiang Li Chian (57).</p> <p>5.3 The Chairman then opened the floor to questions pertaining to the annual report and financial statements of the Institute.</p> <p>5.3.1 Mr. Lim Hoo Teck (2203) commented that in line with good corporate governance, the attendance at committee meetings be reported in the annual report. He stated that in keeping with Bursa Malaysia's requirement, committee members who do not fulfill at least 50% of attendance should be asked to vacate their positions in their respective committees.</p> <p>Mr. Venkiteswaran Sankar (1769) commented that the attendance at committee meetings is not critical and it is sufficient if the President can confirm the</p>

effective contribution of the members as some may not be able to fully attend meetings but could still contribute effectively behind the scene.

The Chairman highlighted that the Council meetings are key meetings of the Institute and it is provided in the Institute's Articles of Association that any member absenting himself from three consecutive Council meetings without leave shall be deemed to have withdrawn from the Council. The Chairman further assured that the Executive committee (EXCO) will continually look into an annual rotation of members in the various committees to ensure improvement in contribution from all committee members. Mr. Lim Hoo Teck (2203) agreed that only attendance at Council meetings should be reported in the annual reports.

5.3.2 Mr. Chong Ying Choy (2971) highlighted that the total income for 2007 and 2008 of the "Income and Expenditure Statement" on page 28 of the Annual Report did not add up correctly. The Chairman explained that the total income figures for both 2007 and 2008 were correct ; however, there was a typographical error in the income figure for courses and seminars for both years. The amount for entertainment expenses had also been included under both income and expenses. The errata sheet stating the correct amounts and explaining the typographical errors were distributed to members during the registration before commencement the AGM.

5.3.3 Mr. Chong Ying Choy (2971) highlighted that the Council members had given their opinion on the results whereas the auditors gave their opinion on the financial performance. The Chairman noted the inconsistency and informed that this was the manner of reporting adopted in the past. However, this will be looked into for future reports so as to achieve consistency as far as possible.

5.3.4 Mr. Ng Soo Har (1977) expressed the view that there was inconsistency in the application of accounting principles as the report was prepared in accordance with FRS which requires the adoption of the concept of fair value, and at the same time, it was also prepared on the historical cost basis. Mr. Joe Heng, representing the Auditors, confirmed that the financial statements had been prepared in accordance with the relevant financial reporting standards and the report is consistent with the relevant accounting principles. The Chairman noted Mr. Ng Soo Har's comments and confirmed that the Institute has complied with the relevant accounting standards which have been adopted by MASB and are in line with the Companies Act 1965.

5.3.5 Mr. Ong Kean Seng (2760) enquired why the amount of receivables, deposits and prepayments was high compared to that in the previous year. He further enquired why there was a low repayment of term loan when compared to the previous year. The Chairman explained that the Institute is unable to settle the term loan in full as there is a 5-year lock-down period for repayment in the loan agreement and the Institute will be subject to a penalty if the term loan is settled before 2011. With regard to the

	<p>receivables, Mr. Lim Heng How explained that the receivables comprised outstanding payments for the 2008 National Tax Conference and the CPD workshops / seminars. However, to-date the receivables have all been collected.</p> <p>5.3.6 Mr. Lim Hoo Teck (2203) stated that the Institute has made a profit from courses and seminars and suggested that consideration be given to reducing the seminar fees for members. The Chairman explained that this year the Institute will have to pay more tax as it is now categorised as a trade association and together with other initiatives being undertaken by the Institute, there will be an overall increase in the Institute's expenses. As such it will not be feasible to lower the CPD fees.</p> <p>5.3.7 Mr. Chong Lip Chee (2041) enquired why the auditors' report was directed to the Council members and not to the members. Mr. Joe Heng explained that the auditors' report has been written in this manner over the past years. The Chairman stated that the report has been prepared in accordance with the Companies Act 1965 and that the Council brings the report to members at the AGM for comments and queries, if any.</p> <p>5.3.8 Mr. Chong Kean Huat (2309) stated that the average interest rates for the fixed deposits that are placed in the bank should be stated under the "Notes to Financial Statements" in the annual report. He also stated that the fixed deposits should be placed in a few banks in order to spread out the financial risks. Mr. Lim Heng How explained that the interest rates will be different as the deposits are placed at different times and that the Institute will be taking steps to put the deposits in one more bank. The Chairman added that the range of interest rates can be stated in future financial statements.</p> <p>5.4 As there were no further questions, the Chairman then put the motion to a vote.</p> <p>5.5 The motion was unanimously carried. The Chairman declared the resolution to receive the annual report and the financial statements of the Institute for the financial year ended 31 December 2008 and the report of the auditors, thereon carried.</p>
<p><b>6.</b></p>	<p><b>ELECTION OF COUNCIL MEMBERS</b></p> <p>6.1 The Chairman announced the retirement of four Council Members, namely Mr. Khoo Chin Guan (27), Dato' Liew Lee Leong @ Raymond Liew (1513), Mr. Lim Kah Fan (345) and Mr. Yeoh Eng Hui (976) pursuant to Article 59 of the Institute's Memorandum and Articles of Association. The four Council Members being eligible, had offered themselves for re-election. There were no nominations received by the Institute for election at the 17<sup>th</sup> AGM.</p> <p>6.2 The Chairman highlighted that Section 126(1) of the Companies Act,</p>

	<p>1965 requires the election of each Council Member to be voted on individually, unless all members present at the meeting agree that the election of the four Council Members be made by way of a single resolution.</p> <p>6.3 The Chairman then requested for a proposer for the motion to appoint the four nominees to the Council in a single resolution and to dispense with the use of the secret ballot as required by Article 49(1) of the Institute's Memorandum &amp; Articles of Association. Mr. Lim Thiam Kee (2486) proposed to the motion and this was seconded by Mr. Tan Leh Kiah (1365).</p> <p>6.4 The Chairman then put the motion to a vote. The motion was unanimously carried. The Chairman announced that the motion was thereby adopted.</p> <p>6.5 The Chairman subsequently requested for a proposer to propose the resolution that Mr. Khoo Chin Guan (27), Dato' Liew Lee Leong @ Raymond Liew (1513), Mr. Lim Kah Fan (345) and Mr. Yeoh Eng Hui (976) be elected as Council Members of the Institute. Mr. Lim Thiam Kee (2486) proposed the resolution and this was seconded by Mr. Lew Nee Fook (1840).</p> <p>6.6 The Chairman then put the resolution to a vote.</p> <p>6.7 The resolution was unanimously adopted. The Chairman declared the resolution carried. The Chairman announced that the members elected to the Council were Mr. Khoo Chin Guan (27), Dato' Liew Lee Leong @ Raymond Liew (1513), Mr. Lim Kah Fan (345) and Mr. Yeoh Eng Hui (976). The Chairman congratulated the newly elected Council members.</p> <p>6.8 Mr Ng Soo Har (1977) requested the newly elected Council members to give a brief statement on what they will do to uplift the Institute's image during their term of office. The request was duly complied with.</p>
7.	<p><b>APPOINTMENT OF AUDITORS OF THE INSTITUTE</b></p> <p>7.1 The Chairman requested for a proposer for the motion that Messrs Baker Tilly Monteiro &amp; Heng be re-appointed as the Institute's auditors and that the Council be authorised to fix their remuneration.</p> <p>7.2 Mr. Wong Seng Chong (188) proposed the motion which was seconded by Dato' Liew Lee Leong @ Raymond Liew (1513 ).</p> <p>7.3 The Chairman then put the motion to a vote. The meeting unanimously voted in favour of the motion and the Chairman declared the motion carried.</p>
8.	<p><b>SPECIAL BUSINESS: PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION</b></p> <p>The proposed amendments to the Articles of Association were tabled at the meeting.</p>

8.1 The Chairman informed that the Institute had received motions from Mr. Venkiteswaran Sankar (1769) which was seconded by Mr. Lim Kian Keong (2900) and one of the motions referred to the proposed amendment to Article 20(6) of the Institute's Articles of Association and requested that it be withdrawn as it is redundant in view of the tax agents licensing requirements already in force OR that a member in public accounting practice with an audit licence be exempted from acquiring another licence for tax practice from the Institute.

8.2 The Chairman explained the rationale for the issuance of practising certificates under Article 20(6) of the proposed amendments to the Institute's Articles of Association.

8.2.1 The Institute being a professional body should continually uplift its standards and regulate its members to eventually enable it to be more closely involved in the tax licensing process. The practising certificate is not intended to be an income generating measure and is only meant for tax practitioners. The criteria for the award of the certificate has not been set and members will eventually be consulted on what they feel should be the relevant criteria. This is related to a proposal for a special description which could be either Chartered Tax Practitioner or Chartered Tax Consultant, that could be granted to members who have met the requirements imposed by the Council.

8.2.2 The Institute should establish itself as a reputable organisation which is able to regulate its members effectively as this will may give confidence to the relevant authorities to involve the Institute in the licensing process. All members of professional bodies such as the MIA, MICPA and ACCA are required to obtain a practising certificate after meeting the relevant criteria set by the professional bodies. There is therefore a need for the Institute to establish itself to be on par with relevant professional bodies such as the Chartered Institute of Taxation, U.K., and the Irish Tax Institute, and to be in line with accounting bodies like the Institute of Chartered Accountants in England and Wales, and the Irish Chartered Accountants, that have similar requirements for the practising certificate.

8.2.3 The Chairman then proposed that the members agree to the proposed amendments to the Articles of Association but implementing the amendments could be done later as the Institute has to establish the necessary groundwork before this measure can be implemented.

8.3 In addressing the Chairman's explanation, Mr Venkiteswaran Sankar (1769) stated that the industry has been overregulated where the professional bodies regulate the members in addition to the government's regulation in terms of certification, interviews and examinations. Mr Venkiteswaran Sankar stated that the practising certificate should not be set up for the purpose of raising money and any fees should be subject to review from time to time. He added that there is no requirement for practitioners to get more certifications by having to go through more interviews and tests. The Institute should

eventually consider requesting the authorities to allow the Institute to issue licenses instead.

8.4 The Chairman further explained that in the U.K. and Ireland, practitioners do not have to meet a separate licensing requirement but in Australia there is a tax practitioners' board where members need to get a licence despite being a chartered accountant. The issue for members to consider seriously is that taxation is a separate profession and therefore there is a need for someone to have the necessary experience, requirements, criteria and knowledge to be able to do tax work. So there is a need to undergo the licensing process. The Institute will continue to request for representation on the licensing panel. There is a need, however, to show the authorities that the Institute can govern itself effectively as a tax institute.

8.5 Mr. Harpal Singh Dhillon (555) stated that members should ask what the Institute can do for them. The Institute has surplus funds and members need to decide how to utilise the funds. Mr Harpal expressed the opinion that it will be difficult for the Institute to obtain regulatory status.

8.6 Mr. Lim Hoo Teck (2203) stated that the issuance of practising certificates to members should not be an issue as long as a reasonable amount is being charged. The Chairman explained that the criteria has not been drawn up and professional bodies normally charge an amount to cover the administration cost in processing the application. The practising certificates are not meant to generate revenue. The objective of issuing the certificates is to build the Institute's profile and capabilities similar to and in tandem with other professional bodies. In any case, the amount of fees would be a nominal amount.

8.7 Mr. Venkiteswaran Sankar (1769) stated that even if the Institute issues practising certificates, the members still cannot practise unless they get a licence from the licensing authorities. Hence the practising certificates have no practical effect. Mr. Lim Thiam Kee (2486) explained that practising certificates are issued to ensure that members have complied with the requirements set out by the rules and regulations of the Institute. This will show the regulators that the Institute is in tandem with the other Institutes. The quantum of fee to be charged for the certificate can be left to the members to decide.

8.8 Mr Venkiteswaran (1769) also stated that in relation to the practising certificates, the Institute should not have two classes of members or two sets of rules. Members holding the practising certificates should not come under a different class where they can vote on their own. In addressing this concern, the Chairman explained that under the proposed Article 21A of the Institute's Articles of Association, the description is intended for tax practitioners only. When a tax practitioner is issued a practising certificate and gets a tax licence, the proposed Article 21A comes into play. The members could, subject to meeting whatever criteria the Institute will set, get a certain description that they can use. This kind of branding is relevant to members who are in practice.

	<p>8.9 There being no further questions, the Chairman then requested for a proposer and seconder to table the motion for the proposed amendments to the Articles of Association of the Institute. Dr. Ahmad Faisal Zakaria (1464) proposed whilst Mr. Wong Seng Chong (188) seconded the motion.</p> <p>8.10 The Chairman then stated that the resolution be adopted and be read as follows: “THAT subject to the approval of the Minister of Domestic Trade, Cooperative and Consumerism, the proposed amendments to the Memorandum and Articles of Association of the Institute as contained in the Appendix be and hereby approved and THAT the Council of the Institute be and are hereby authorised to assent to any modifications, variations and/or amendments as may be considered necessary to give full effect to the proposed amendments to the Memorandum and Articles of Association of the Company”.</p> <p>8.11 The Chairman put the motion to a vote. Fifty three members voted in favour while four members voted against the motion. The rest of the members abstained. The Chairman declared the resolution carried.</p>
<p><b>9.</b></p>	<p><b>ANY OTHER BUSINESS</b></p> <p>9.1 The Chairman informed that on 2 June 2009, the Institute received a letter from Mr Venkiteswaran Sankar (1769), with a resolution proposing that four different motions be considered and adopted at the AGM. The motions were seconded by Mr Lim Kian Keong (2900).</p> <p>9.2 The Chairman explained that the first motion was on the utilisation of the Institute’s funds. The motion stated that the Council should identify ways of utilising the funds of the Institute for the members’ benefit and that measures should be taken to reduce seminar fees.</p> <p>The Chairman explained that the Institute has been controlling its expenses all these years and has been cautious in its spending. The Chairman further explained there are space constraint in the Institute’s office premises and there is a need to eventually look for larger premises. Funds amounting to about RM250,000 are also being set aside for specific expenditure such as the integrated Management System for integrating the continuing professional development (CPD), examinations and membership modules, expenses relating to change of the Institute’s name and logo, corporate video, enhancement of the Institute’s website, bulk mailing system for sending e-circulars, and mobile compactors for filing.</p> <p>The Chairman stated that the tax liability of the Institute will increase from this year as the Institute is now considered as a trade association. The Institute has also been surviving on a headcount of only eleven staff and there is a need to recruit a assistant technical manager to build up the technical area and possibly an accounts staff to handle the Institute’s accounts as the free-lance service provider can no longer offer the service. There is hence a need to</p>

enhance the headcount in order to improve services to the members.

9.3 The Chairman stated that the second motion was on the request for review of the CPD requirement where the Council was requested to take steps to reduce the required tax based CPD hours or alternatively, to include all CPD hours accredited by MIA, CPA and CTIM towards the qualifying hours.

In relation to this motion, the Chairman explained that currently the tax licence for three years requires ninety CPE hours which is thirty CPE hours in a year and this is a substantial reduction from what it was two years ago. He also explained that tax CPD courses conducted by MIA, MICPA and MAICSA are all recognised for tax licensing purposes. The Institute will continue to pursue the recognition of certain non-tax courses .

In practice, the Ministry of Finance (MOF) accepts that senior practitioners who are above 55 years need to only fulfill 50% of the CPE requirement. However, this is not stated in the MOF website. The Institute will continue to pursue this matter with the MOF.

9.4 The Chairman stated that the third motion was about reviewing the need for the tax agents licence interview for MIA practitioners. It was proposed that the Council engages the authorities to allow licensing without interviews for new tax agents who are MIA members working in a public practice and have given evidence in writing, certifying their experience, for three years, by a licensed practitioner. The Chairman remarked that this exemption should not only be considered for MIA members but should also be applicable for CTIM members.

9.5 The Chairman stated that the fourth motion was on the withdrawal of the amendment to Article 20(6). This motion had already been discussed and decided upon earlier.

9.6 The Chairman then informed members that the Council will consider the matters raised in the motions and take steps, where possible, for the benefit of members. In this regard, the Chairman requested the proposer and seconder whether, in view of the explanations given earlier, they would like to withdraw the motions.

9.7 Mr Venkiteswaran Sankar (1769) stated that the Chairman's explanations were well received and he and the seconder of the motions agreed to withdraw the motions and will leave the matter to be deliberated upon by the Council.

9.8 The President thanked Mr Venkiteswaran Sankar (1769) and Mr Lim Kian Keong (2900) and welcomed them to also be involved more actively in the work of the Institute.

<b>10.</b>	<b>CLOSE OF MEETING</b>  The Chairman thanked all members for attending the meeting. The meeting was adjourned at 11.45 a.m.
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Signed as a correct record,

Chairman

Date: