

31 January 2005

Circular No. 3/2005

TO ALL MEMBERS

1. REFORM OF THE MALAYSIAN TAXATION SYSTEM

The Government has invited the relevant government and non-government organisations to submit issues with regards to the above. The Institutes have presented a memorandum to the Taxation System Reform Panel on this matter for its due consideration in formulating the reformation of our tax system. A copy of the same can be obtained from the MIT website.

The Institutes would like to provide the Taxation Review System Panel with more suggestions and would like to involve its members in this exercise. Members are welcome to contribute by giving us their opinion/comments/thoughts on areas of taxation laws & practice that will be considered under the reform, which for now is limited to the following 3 areas:-

- i) The Income Tax Act 1967
- ii) Stamp Act 1949
- iii) Real Property Gains Tax 1976

We encourage members to actively participate in this exercise as it is a valuable opportunity to voice their opinions on various areas of tax law & practice.

2. OPERATIONAL DIALOGUE NO 1/2005

The Inland Revenue Board (IRB) will be convening an operational dialogue with the Institute on a date to be confirmed by the IRB soon. The dialogue is expected to proceed soon.

3. TAXPAYERS MONTH

The IRB will be launching the Taxpayers Month soon in conjunction with the self assessment system. The IRB will be opening counters at high traffic public places such as shopping complexes to assist taxpayers to fill up their income tax forms.

4. FINANCE ACT 2004

The Finance Act 2004 was gazetted on the 30th of December 2004. A copy of the Finance Act can now be obtained from the MIT website.

5. ENGLISH VERSION OF FORM B/BE WITH EXPLANATORY NOTES

The English version of Form B/BE with the explanatory notes can now be obtained from the Institute website. The forms are posted in the Technical Section of the website.

6. 1ST QUARTER 2005 CPD PROGRAMME

The CPD Programme for the first quarter of 2005 can now be viewed and downloaded from www.mit.org.my.

FEEDBACK

On another note, the Institute would like feedback from members on areas of tax law & practice that they require training. This will help the Institute in providing more relevant training programs in the future.

Members are cordially invited to submit their views and comments to the Institute, to the attention of Nursalmi Haslina via fax at 03-7729 1631 or via e-mail, to nur@mit.org.my.

7. PUBLIC RULINGS

FEEDBACK

To date, the IRB has released approximately 24 rulings over the past 5 years. The Institute would like to have member's feedback/comments, if any, on these rulings.

RULING FOR GREY AREAS

The Institute would like to invite members to come forward and suggest grey areas of tax laws for which a ruling would assist to clarify the law and practice.

Members are cordially invited to submit their views, comments and issues to the Institute, to the attention of Mohamed Hafiz via fax at 03-7729 1631 or via e-mail, to mohamedhafiz@mit.org.my.

The Institute looks forward to receive your comments and suggestions.

8. PEMBANGUNAN SUMBER MANUSIA BERHAD (AMENDMENT OF FIRST SCHEDULE) ORDER 2005

With effect from 1 January 2005, 10 new industries from the services sector will be required to pay training levy to the HRDB which also includes auditing, accounting and taxation industry. Employers from these sectors are required to pay an amount equivalent to 1% of the employees' salaries for the levy.

The Order and some general information can now be viewed and downloaded from www.mit.org.my in the Technical section.

9. CIRCULAR TO MEMBERS VIA ELECTRONIC MAIL

As part of the Institute's continuing endeavor to improve the level of services to its members, the Institute has been providing an option for members to receive their Circular to Members via electronic mail. Due to the instantaneous nature of electronic mail, members who opt to receive Circulars to Members via electronic mail will enjoy the benefit of receiving the Circulars to Members earlier. Kindly fill in the form below if you wish to receive the Institutes Circular to Members via electronic mail or to update your records.

I wish to confirm that my e-mail address is as follows:-

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Regards,



CHOW KEE KAN
Honorary Secretary