



MEDIA RELEASE

For Immediate Release

MUTUAL AGREEMENT PROCEDURE (MAP) GUIDELINES

Please be informed that the amended Mutual Agreement Procedure (MAP) Guidelines has been uploaded to the official website of LHDNM at www.hasil.gov.my . The Guidelines are accessible directly through the following link:

[http://www.hasil.gov.my/bt_goindex.php?bt_kump=5&bt_skum=6&bt_posi=6&bt_unit=1
&bt_sequ=2](http://www.hasil.gov.my/bt_goindex.php?bt_kump=5&bt_skum=6&bt_posi=6&bt_unit=1&bt_sequ=2)

About The Mutual Agreement Procedure (MAP) Guidelines

The Mutual Agreement Procedure (MAP) Guidelines was first announced in January 2015. In line with the announcement of the final report on OECD BEPS Action 14 – Making Dispute Resolution Mechanism More Effective, which is one of the mandatory requirements for all Inclusive Framework (IF) members, Malaysia has updated its MAP Guidelines to be aligned with the BEPS Action 14 minimum standards.

The Article on MAP in Malaysia's Tax Treaties allows the Malaysian Competent Authority (CA) to interact with CAs of Treaty Partners with the intent to resolve taxation not in accordance with the provisions of the tax treaty. This includes international tax disputes involving double taxation and inconsistencies in the interpretation or

application of the tax treaty on a mutually-agreed basis. The MAP mechanism is independent from the legal remedies available under domestic law.

The MAP Article in Malaysia's Tax Treaties also allows the Malaysian CA to negotiate Bilateral Advance Pricing Arrangement (BAPA) and Multilateral Advance Pricing Arrangement (MAPA) with CA of Treaty Partners. BAPA/MAPA offers assurance that the future set of criteria for the determination of arm's length price/profit on controlled transactions over a fixed period of time will be accepted by the tax administrations of both Malaysia and its relevant Treaty Partners. The MAP Guidelines are applicable to BAPA/MAPA and has to be read together with the Advance Pricing Arrangement (APA) Guidelines.

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THANK YOU



Issued by:

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Date: January 11th, 2018