



PIONEER STATUS or Investment Tax Allowance; making a choice

Date: 17 December 2013
 Venue: CTIM Training Room, Kuala Lumpur

Event Code: WS/088
 Time: 9.00am – 5.00pm

Benefits to Participants

- Differentiate pioneer status and investment allowance – making a choice between these two main tax incentives
- Take advantage of this “tax-holiday” to extend both the quantum and the period of exemption
- Proactive planning to maximise tax

Pioneer status and investment tax allowance are two of the main tax incentives available in Malaysia. Pioneer status often provides a 70% exemption of statutory income for a period of 5 years. While pioneer status is an income-based tax incentive, investment tax allowance is a capital expenditure-based one that generally provides for a deduction (over and above capital allowances) equivalent to 60% of the qualifying expenditure.

Course Content

The course covers the following key areas:

- Pioneer Status
 - The application to MIDA and the eligibility
 - The exemption and the exempt account
 - Non-pioneer sources of income during the pioneer period
 - Pre and post pioneer businesses
 - Capital allowances and business losses
 - The variation from the normal rates
 - Withdrawal/cancellation of the pioneer status/certificate
- Investment Tax Allowance
 - The application to MIDA and the eligibility
 - What is the qualifying capital expenditure?
 - The allowance and the set-off
- Tax exempt account
- Indefinite carry forward of the allowance.
- The claw-back provision
- Variation from the normal rates
- Making a choice
 - Factors that influence the choice
 - Comprehensive case study for comparison
 - Surrender of pioneer status for investment tax allowance
- Permissibility of simultaneous claim for other incentives such as reinvestment allowances, accelerated capital allowances and double deductions.

Who Should Be A Participant

- Company directors
- Finance managers and controllers
- Tax Accountants
- Tax agents and other legal / financial advisors or practitioners
- Individuals seeking knowledge in taking advantage of tax incentives

Speakers' Profiles

Richard Thornton has extensive experience of Malaysian taxation. He has been an approved tax agent under the Income Tax Act 1967 and provided tax consultancy services, specialising in Malaysia and cross border transactions. Richard regularly contributes tax-saving ideas on property and other tax issues in his published works and has been a frequent speaker at seminars and conferences.

Thenesh Kannaa is the managing partner of Thenesh, Renga & Associates, a boutique tax advisory practice. He is also adjunct to an university ranked with the top 100 in the world and is frequent at seminars and workshops. He has co-authored several articles and a book on Capital Allowances with Mr Richard Thornton.

