

# REINVESTMENT ALLOWANCE

## – UNDERSTANDING SCHEDULE 7A ITA 1967

Date	Venue	Event Code
14 April 2016	Mutiara Hotel, Johor Bahru	16WS/020
5 May 2016	Hotel Jen, Penang	16WS/021
10 May 2016	Ramada Plaza Melaka	16WS/022
6 June 2016	Seri Pacific Hotel, Kuala Lumpur	16WS/023
13 June 2016	Grand Margherita Hotel, Kuching	16WS/024
23 June 2016	Hyatt Regency, Kota Kinabalu	16WS/025
30 June 2016	Impiana Hotel, Ipoh	16WS/026

Time: 9.00am to 5.00pm



### OBJECTIVES

Reinvestment Allowance (RA) is the most common incentive applied by manufacturing companies in order to maximize reliefs on capital expenditure to Income Tax in Malaysia. The Inland Revenue Board has been very critical about the correct application of the law by taxpayers under the self-assessment system and this has been proven by numerous tax audit cases involving RA.

This one day training aims to provide an in-depth examination of the legal provisions as well as practical applications in respect of Reinvestment Allowance. The training will also address the common pit-falls of taxpayers thereby enabling them to minimise potential risks associated with this incentive.

### BENEFITS OF ATTENDING

Participants will receive in-depth technical knowledge of the requirements for claiming Reinvestment Allowance and the critical amendments made to the Income Tax Act 1967 (ITA 1967) affecting Reinvestment Allowances. Participants will also be exposed to the Public Ruling issued by the Inland Revenue Board Malaysia, compliance related issues commonly faced by taxpayers through case studies as well as the review of selected tax cases.

### TRAINING HIGHLIGHTS

- Overview of Reinvestment Allowance
- Schedule 7A of the Income Tax Act 1967
- Reinvestment Allowance as an incentive
  - ~ Conditions of eligibility
  - ~ Period of eligibility
- Qualifying Project
  - ~ Meaning of Project
  - ~ Manufacturing
  - ~ Processing
  - ~ Expansion, Modernisation, Automation or Diversification
- Capital Expenditure
  - ~ Factory
  - ~ Plant and machinery
  - ~ Commercial vehicles
- Rate of allowances and utilisation of allowances
- Provisions of the ITA 1967 related to disposal of assets
- Acquisition of assets under Controlled Transfer
- Non Application of Reinvestment Allowance
- Reinvestment Allowance for Agriculture Projects
- Review Public Ruling 6/2012 issued on 12 October 2012 and Public Ruling 2/2008 issued on 3 April 2008
- Discussions on Tax Cases and other case studies

### SPEAKER'S PROFILE

Kularaj K. Kulathungam, a member of the Chartered Tax Institute of Malaysia, is an approved tax agent under the Income Tax Act 1967 as well as the Goods and Services Tax Act 2014. He is the Managing Director of KR Tax Consultants Sdn Bhd, a Tax Consultancy and Advisory firm. His experience in taxation spans 28 years both with the Inland Revenue Board (IRB) as well as in private practice.

As a former Assistant Director of Income Tax with the IRB, he has served at various IRB Branches and divisions between 1988 and 2003, his last post being the Head of the Labuan Offshore Taxation Unit. His vast experience in the various major areas of direct taxation together with his ability to blend the legal and practical aspects of taxation seamlessly greatly enhances the learning experience for participants.

In addition to managing his tax consultancy practice, Kularaj is also a regular speaker at trainings and seminars on taxation organised by the taxation and accounting professional institutions in Malaysia as well as private sector firms.

### WHO SHOULD ATTEND

- Company Directors
- Accountants / Auditors
- Tax Agents or tax practitioners
- Legal / Financial advisors

