

# WITHHOLDING TAX AND DOUBLE TAX AGREEMENTS ( Re-Run Session )

Date : 11 Aug 2017  
Time : 9.00am to 5.00pm  
Venue : Sheraton Imperial  
Kuala Lumpur  
Event Code : 17WS/052

## Course description

Where a Malaysian resident pays royalty, interest, service fee and certain other types of payment to a foreign company or individual, the Malaysian payer is required to withhold a portion of the payment and remit to the tax authority. In the 2017 Budget, many of the fundamental provisions that relate to withholding tax has been redefined effective 17th January 2017, resulting in significant broadening of the scope of payments to which the withholding tax applies. For example:

- Payments for technical advice, assistance or services is subjected to withholding tax including any portion of work done outside Malaysia
- the definition of royalty has been broadened to include payment in respect of software etc.
- the definition of public entertainer has been broadened to include lecturers and speakers etc.

The changes are so drastic that the withholding tax regime in 2017 is distinguishable from the past decades.

However, the Double Tax Agreements ("DTA") sometimes limit or eliminate Malaysia's taxing rights. For example, payments made to a Hong Kong resident for offshore services is subject to withholding tax but there is no tax if the same is paid to a Singapore resident. Implications of DTA on withholding tax must be considered on a case-by-case basis, as it would be explained and illustrated during the course.

## Learning outcomes

- Understand the payments for which the withholding taxes obligations should be considered.
- Understand the potential scope of the 2017 Budget Amendments
- Overview of the manner in which Double Tax Agreements limit the impact of the 2017 Budget Amendments

## Who should attend?

- Tax agents
- Accountants
- Finance Directors and Managers

## Course outline

- Overview of the scope and rates of withholding tax
- Overview to Double Tax Agreements ("DTA")
- Royalty:
  - Overview of recent tax cases - Damco Logistics, Alcatel-Lucent, Thomson Reuters, Mudah.my etc.
  - Thorough examination of the new definition in 2017 Budget
  - Does withholding tax apply on payments to acquire intellectual property (capital transaction)?
  - Case study with real life DTAs
- Payments for technical advice, assistance or services etc:
  - 2017 Budget amendments and the related transitional issues
  - Thorough examination of the criteria in Section 4A and its limitations
  - Practical implications of the change
  - Case study with real life DTAs
  - Detailed discussion of the Federal Court's decision on Alam Maritim and the limitations in its application
  - Application of withholding tax on disbursement and reimbursements
- Withholding tax on payments to compere, model, lecturer, speaker, sportsperson, artiste etc. - including case study with real life DTAs
- Withholding tax for interest payments to non-residents
- Withholding tax for contract payments & the related issues
- Withholding tax for payments in respect of other gains or profits (section 4(f)) - the scope and its practical implications
- Re-grossing of payments
- Expenses disallowed due to withholding tax non-compliance and its practical remedies

## Speaker profile

### THENESH KANNAA

Thenesh Kannaa is a partner at Thenesh, Renga & Associates (a.k.a. TraTax Malaysia), a firm of chartered accountants dedicated to providing income tax and GST advisory. The firm advises clients from diverse industries - including manufacturing, professional services, trading, construction, property development, healthcare, shipping, financial services, telecommunications, societies, Government-linked companies (GLCs) and statutory bodies.

Thenesh is a licensed tax agent, fellow member of the Association of Chartered Certified Accountants (FCCA, UK), and a member of the Malaysian Institute of Accountants (MIA), the Chartered Tax Institute of Malaysia (CTIM) and the International Fiscal Association (IFA, Netherlands). He holds a diploma in International Taxation from the Leiden University, Netherlands.

Thenesh has presented on numerous tax topics in various forums, conferences and seminars organised by professional bodies, Bar Council and associations. In particular, in April 2017 he has presented in a panel session with OECD representative and other international tax practitioners on a BEPS topic at IFA's Regional Tax Conference in New Delhi.

Thenesh is the author of numerous books and articles on taxation published locally and internationally. He has also been interviewed on contemporary tax matters by Traxx.fm (RTM 4, 90.3 fm), THR Raaga (99.3 fm), the V'Buzz show (Astro), the New Straits Times and the Malaysia SME newspaper.

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### \*Registration Fees

- |  |          |
|--|----------|
| <input type="checkbox"/> CTIM/ACCA Member    | RM424.00 |
| <input type="checkbox"/> Member's Firm Staff | RM530.00 |
| <input type="checkbox"/> Non-Member          | RM636.00 |

\* The above registration fees are inclusive of 6% GST

- \* Seats are limited and based on first-come, first-served basis
- \* Registration of participants will be confirmed upon registration, receipt of full payment or an acceptable employers guarantee and settlement of previous outstanding dues.
- \* All outstanding payment must be received on or prior to the date of the event for participants to be allowed to attend. The institute reserves the right to cancel the registration if no payment is received prior to or on the date of the event.
- \* Walk-in participant registration and attendance is subject to availability of seats and full payment.
- \* Certificate of attendance will only be released upon participant signing the attendance register before 10.30am, full attendance and after completion of the event.

### Enquiries



Tel: 03-2162 8989  
Fax: 03-2161 3207  
03-2162 8990  
Email: cpd@ctim.org.my



B-13-1, Block B, Level 13, Unit 1,  
Megan Avenue II,  
No 12, Jalan Yap Kwan Seng,  
50450 Kuala Lumpur

### Contact Person:

*For Klang Valley events:*  
Ms Yus (ext 121 / yusfariza@ctim.org.my)  
Ms Jaslina (ext 131 / jaslina@ctim.org.my)  
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Mr Jason (ext 108/ jason@ctim.org.my)  
Ms Ramya (ext 119 / ramya@ctim.org.my)  
*General enquiries:*  
Ms Ally (ext 123 / ally@ctim.org.my)

### Participant's Contact Details

Full Name : \_\_\_\_\_

Company : \_\_\_\_\_

I/C Number : \_\_\_\_\_

Designation : \_\_\_\_\_

CTIM/ACCA Membership No : \_\_\_\_\_

Tel : \_\_\_\_\_

Company Address : \_\_\_\_\_

Fax : \_\_\_\_\_

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Email : \_\_\_\_\_

Vegetarian

Mobile : \_\_\_\_\_

### Payment Method

- Online Payment via JomPAY



**Bill Code:** 21790  
**Ref-1:** Event Code  
**Ref-2:** Mobile Number

JomPAY online at Internet and Mobile Banking with your Current, Savings or Credit Card account

- MASTER / VISA Credit Card

For amount of RM \_\_\_\_\_

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Authorised Signature

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(month/year)

Cardholder's Name ( as per credit card )  
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- Cash for Amount of RM \_\_\_\_\_

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\*All cheque should be made payable to "CTIM-CPE"

#### Replacements

Please note registrations for the event are not interchangeable but replacements are acceptable. Please notify us at least three days prior to the event if you intend to send a replacement. CPD points will be allocated to the designated attendee. If the replacement is not a Member but a Member's Firm Staff or Non-Member, the appropriate fees will apply.

#### Cancellations

The Chartered Tax Institute of Malaysia must receive cancellations in writing five working days prior to the event. Refund amount is subject to deduction of administration and finance charges. No refund will be given for cancellations received within less than five working days of the event.

#### Confirmation of Registration

The confirmation letter will be emailed 5 days before the commencement of the event upon receipt of full payment. In the event you do not receive the confirmation letter 5 days before the event, please contact us immediately.

#### Disclaimer

The Organiser reserves the right to change the speaker, date, venue or to cancel the event if the number of participants is less than 20. A minimum of 3 days notice will be given.

#### Recording

Video / Sound recording is strictly prohibited.