

e-CTIM No.28/2010

14 June 2010

TO ALL MEMBERS

TECHNICAL

1. Exemption of any income derived from the sukuk ijarah. Income Tax (Exemption) Order 2010. [P.U. (A) 169/2010]

This Order exempts any person from the payment of income tax in relation to any income derived from the *sukuk ijarah*, other than convertible loan stock, issued in any currency by iMalaysia Sukuk Global Berhad with effect from the year of assessment 2010.

2. Double Taxation Relief (The Government of the Republic of France)(Amendment) Order 2010. [P.U. (A) 164/2010]

This Order amends Article 26 [Exchange of Information] of the double taxation agreement between the two countries signed on 24 April 1975 and amended by the protocol signed on 31 January 1991.

3. Double Taxation Relief (The Government of Japan)(Amendment) Order 2010. [P.U. (A) 165/2010]

This Order amends Article 25 [Exchange of Information] of the double taxation agreement between the two countries signed on 19 February 1999 and amended by the protocol signed on 19 February 1999.

4. Double Taxation Relief (The Government of Belgium)(Amendment) Order 2010. [P.U. (A) 166/2010]

This Order makes extensive amendments to the double taxation agreement between the two countries signed on 24 October 1973 and amended by the protocol signed on 25 July 1979. The articles affected are Articles II, III, IV, VII, IX to XII, XVI, XVIII, XIX XIII A, XXI, XXIII to XXVII and XXIX. The Order also inserts a new Article XIII A on technical fees and deletes Article XX on professors, teachers and researchers.

5. Double Taxation Relief (The Government of Ireland)(Amendment) Order 2010. [P.U. (A) 167/2010]

This Order amends Article 27 [Exchange of Information] of the double taxation agreement between the two countries signed on 28 November 1998.

6. Double Taxation Relief (The Government of Australia)(Amendment) Order 2010. [P.U. (A) 168/2010]

This Order is the third protocol which amends Article 25 [Exchange of Information] of the double taxation agreement between the two countries signed on 20 August 1980 and amended by the first protocol signed on 2 August 1999 and the second protocol signed on 28 July.2002.

7. Double Taxation Relief (The Government of the Republic of Senegal) Order 2010. [P.U. (A) 176/2010]

This is the double taxation agreement entered into between the Governments of Malaysia and Republic of Senegal for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

8. Double Taxation Relief (The Government of Kingdom of the Netherlands)(Amendment) Order 2010. [P.U. (A) 177/2010]

This Order is the second protocol which amends Article 26 [Exchange of Information] of the double taxation agreement between the two countries signed on 7 March 1988 and amended by the protocol signed on 4 December 1996.

9. Form CP 204 – penalty on non-payment of instalments

The Inland Revenue Board has confirmed that any increase in tax under section 107C(9) of the Income Tax Act 1967 is restricted to the amount of tax payable. Hence, where there is no tax to be paid for a year of assessment, no penalty will be imposed.

10. Late submission of Form CKHT 1A - penalty imposed for inability to provide acquirer's income tax reference number.

The Institute had sought clarification from the IRB in cases where a penalty had been imposed on the disposer for late submission of Form CKHT 1A and the delay in submission was caused by the inability to provide the acquirer's income tax reference number.

The response from the IRB, with reference to paragraph 8.1 (on page 36) of the *Garis Panduan CKHT*, was that the Form CKHT 1A will not be rejected if the acquirer's tax reference number is the only information that has not been completed. In this instance, if the reason for the rejection of the Form CKHT 1A had genuinely been due to the non-completion of the acquirer's tax reference number, the taxpayer may appeal against the penalty to the relevant Inland Revenue Board Branch.

18TH ANNUAL GENERAL MEETING (AGM)

The 18th AGM of the Institute was successfully held on Saturday, 12 June 2010 at the Best Western Premier Seri Pacific Hotel Kuala Lumpur. A total of 62 members attended the AGM.

1. Election of Council Members

The following members were elected to the Council:

- Mr Chow Kee Kan
- Mr Lai Shin Fah, David
- Mr Lim Thiam Kee, Peter
- Mr Poon Yew Hoe

2. Office Bearers of the Chartered Tax Institute of Malaysia

Following the AGM, the first Council meeting for the 2010/2011 term was held to elect the Office Bearers of the Institute. The list of the Council Members is as follows:

President	: Mr Khoo Chin Guan
Deputy President	: Mr S M Thanneermalai
Council Member(s)	: Dr Ahmad Faisal Bin Zakaria
	: Mr Aruljothi Kanagaretnam
	: Mr. Chow Kee Kan
	: Associate Professor Faridah Ahmad
	: Prof Dr Jeyapalan Kasipillai
	: Mr Lai Shin Fah, David
	: Mr Lew Nee Fook
	: Dato' Liew Lee Leong @Raymond Liew
	: Mr Lim Kah Fan
	: Mr Lim Heng How
	: Mr Lim Thiam Kee, Peter
	: Mr Poon Yew Hoe
	: Dr Veerinderjeet Singh
	: Mr Yeo Eng Hui, Adrian
	: Ms Seah Siew Yun
	: Mr Tan Leh Kiah, Francis
	: Ms Yeoh Poh Yew, Nancy

For queries or feedback on the CTIM e-circular, please email secretariat@ctim.org.my.

Disclaimer

Although the Chartered Tax Institute of Malaysia has taken all reasonable care in the preparation and compilation of the information contained in the CTIM e-circular, the Institute / each party providing the material displayed herein expressly disclaim all and any liability or responsibility to any person(s) for any errors or omissions in the contents of the CTIM e-circular or for anything done or omitted to be done by any such person in reliance whether wholly or partially, upon the whole or any part of the contents of the CTIM e-circular.