

# e-CIRCULAR TO MEMBERS



CHARTERED TAX INSTITUTE OF MALAYSIA (225750-T)

CTIM No.29/2011

27 July 2011

TO ALL MEMBERS

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TECHNICAL

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## 1. Penalty on Late Filing of Tax Returns

In the past, the IRB had imposed penalties ranging from RM200 to RM2,000 for late submission of tax returns, similar to the fines as stipulated in [Section 112\(1\)](#) of the Income Tax Act 1967 (ITA), based on the number of offences committed. The Institute would like to alert members that with effect from **1 June 2011**, the IRB has deviated from the current practice and imposed penalties based on the length of delay that the return is submitted. From the information gathered through our members, the minimum penalty rate is 20% of the tax payable, before any set-off, repayment or relief. This power to impose the penalty is given under [Section 112\(3\)](#) of the ITA to the IRB who may impose a penalty "equal to treble the amount of the tax payable."

The Institute has yet to receive any official notification on the new rates of penalties. However, members are warned to look into their backlog cases and advise their clients on the potential financial impact so that the clients are well-informed. The Institute is liaising with the authorities on the issue and will keep members informed of the developments.

## 2. [IRB's Reply on Issues Raised for the DESIRE Meeting No.2-2011](#)

Please be informed that the IRB has replied to the issues raised by CTIM in the proposed DESIRE Meeting No.2-2011. You may view the reply on the Institute website at <http://www.ctim.org.my/cms/news.asp?menuid=14>

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### MEMBERSHIP SERVICES

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#### MEMBERSHIP RENEWAL FOR YEAR 2011

We wish to thank members who have renewed their 2011 membership subscription. For those who have yet to renew, we urge you to settle your dues as soon as possible together with the payment advice to enjoy uninterrupted membership services. If your payment is on the way, we thank you for your support and would appreciate if you could inform the Secretariat duly.

If you need assistance on your renewal, please contact Iza (ext 114) or e-mail us at [membership@ctim.org.my](mailto:membership@ctim.org.my)

CTIM takes this opportunity to thank all our valued members for their continued support.

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### PUBLICATION

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#### 2012 Budget Commentary and Tax Information

In supporting CTIM's continuing mission to be the consultative authority on taxation as well as to provide leadership and direction to enable members to contribute effectively to the development of the nation, we would like to offer for sale to your organization, the *2012 Budget Commentary & Tax Information* booklet which is a comprehensive easy to read guide on the 2012 budget and tax information. This booklet is certainly a useful tool that no financial or taxation professional should do without.

Please click <http://www.ctim.org.my> to download the Order Form. You may call Ms Khalijah at 03-21628989 if you require assistance in placing your orders.

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### CHARTERED TAX INSTITUTE OF MALAYSIA IS RECRUITING AN ASSISTANT MANAGER / TECHNICAL MANAGER

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The Chartered Tax Institute of Malaysia is inviting suitably qualified candidates to apply for the position in the premier body for tax professionals.

Interested applicants, please click on [http://www.ctim.org.my/ectim/Advert\\_techmgr\\_Jul10.pdf](http://www.ctim.org.my/ectim/Advert_techmgr_Jul10.pdf) for details.

For queries or feedback on the CTIM e-circular, please email [secretariat@ctim.org.my](mailto:secretariat@ctim.org.my).

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