

CTIM No.31/2011

4 August 2011

TO ALL MEMBERS

TECHNICAL

Direct Tax

1. E-CTIM No. 30/2011 --- Corrigendum

Please note that there is a typo-error in Item 1 of the last e-CTIM No.30/2011 -- Penalty on Late Filing of Tax Returns. The President sent an email to the Deputy Director General (Tax Operations), Encik Mohammad Sait on 27 **July** 2011 not 27 May 2011.

2. Penalty on Late Filing of Tax Returns – Further Developments

The Institute would like to inform that Encik Mohd Sait has responded to our appeal on 1 August 2011. The IRB's stand is that the new penalty rates on late filing will not be withdrawn nor will a moratorium period be granted on the implementation of the new penalty rates.

However, the IRB is willing to consider appeals for the imposition of penalty on a case by case basis. Internal procedures are in place within the IRB to deal with the relevant appeal.

Currently, the Institute is still pursuing the matter with the authorities.

In the meantime, members are reminded to submit the tax returns on due dates in accordance with the existing legislation.

Indirect Tax

3. GST Guide on Designated Areas (Draft)

The Royal Malaysian Customs (RMC) has released the GST Guide on Designated Areas (Draft) on the GST Portal (<http://www.gst.customs.gov.my/portal/page/portal/MYGSET>) yesterday.

The Draft Guide may be viewed at RMC's website at

http://www.gst.customs.gov.my/portal/page/portal/MYGSET/SubTopicDetailPage?_piref255_1040729_255_1040710_1040710._ora_navig1=nodeld=134

Members are requested to submit their comments to the Institute at kslim@ctim.org.my or secretariat@ctim.org.my so that comprehensive feedback may be prepared and submitted to the Royal Malaysian Customs for consideration.

CONTINUING PROFESSIONAL DEVELOPMENT

1. [Workshop: Maximising On Tax Incentives – Outstation](#)

<u>Date</u>	<u>Venue</u>
11 August 2011	Impiana Casuarina, Ipoh
17 August 2011	Renaissance Hotel, Malacca
23 August 2011	Mutiara Hotel, Johor Bahru

Time : 9.00 a.m – 5.00 p.m
Speaker : Mr Sivaram Nagappan

Course Contents:

- Pioneer Status
- Investment Tax Allowances
- Infrastructure Allowance
- Reinvestment Allowances (RA)
- Incentives for Approved Services Projects
- Pre-package incentive on Approved Business
- Double Deductions
- Special Deductions
- Green Technology Financing Scheme (GTFS)
- Promotion of Exports
- Group Relief for Losses
- Accelerated Capital Allowances
- Research and Development
- Operational Headquarters (OHQ)
- Malaysian International Trading Company (MITC)
- Export related incentives
- International Procurement Centre (IPC)
- Regional Distribution Centre (RDC)
- Multimedia Super Corridor (MSC)
- Iskandar Malaysia (IM) and other designated regions
- Latest updates, including updates in the Budget 2011

8 CPD Points

2. [Workshop: Principles of Deferred Taxation \(Kuala Lumpur\)](#)

<u>Date</u>	<u>Venue</u>
9 August 2011	Hotel Istana, Kuala Lumpur

Time : 9.00 a.m – 5.00 p.m
Speaker : Mr Ramesh Ruben Louis

Course Contents:

1. Introduction of deferred tax
 - Purpose of deferred taxation
 - Balance Sheet liability and Income Statement liability method
 - Temporary & Permanent difference
2. Key Requirements of MASB 25/ FRS 112
3. Understanding and determining tax base of assets and liabilities
 - Non-current assets and liabilities
 - Current assets - receivables, inventory, monetary assets
 - Current liabilities – payables, accruals, deferred income
4. Recognition of deferred tax assets and liabilities
 - Deductible temporary differences and taxable temporary difference
 - Treatment of deferred tax assets
5. Measurement and computation of deferred tax assets and liabilities
6. Presentation and disclosure
 - Balance Sheet and Income Statement
 - Accounting policies and notes to the financial statements
 - Illustrative disclosures

8 CPD Points

3. [Workshop: New Public Rulings in 2011 \(Outstation\)](#)

<u>Date</u>	<u>Venue</u>
7 September 2011	Hyatt Regency, Kota Kinabalu
8 September 2011	Four Points Sheraton, Kuching
12 September 2011	Mutiara Hotel, Johor Bahru
14 September 2011	Renaissance Hotel, Malacca
29 September 2011	Traders Hotel, Penang

Time : 9.00 a.m – 5.00 p.m
Speaker : Mr Chow Chee Yen

Course Content

1. Public Ruling 3/2011: Investment Holding Company
 - ▶ Definition of an Investment Holding Company (IHC)
 - ▶ Determination of an IHC
 - ▶ Tax treatment for unlisted IHC
 - ▶ Tax treatment for listed IHC
 - ▶ Capital allowance and industrial building allowance
2. Public Ruling 4/2011: Income from Letting of Real Property
 - ▶ Letting of real property as a business source
 - ▶ Letting of real property as a non-business source
 - ▶ Commencement date of letting of property
 - ▶ Expense relating to income of letting of real property
 - ▶ Rental income received in advance

- ▶ Capital allowance and industrial building allowance
- ▶ Replacement cost of furnishings
- 3. Public Ruling 5/2011: Residence Status of Companies and Bodies of Persons
 - ▶ Significance of Residence Status
 - ▶ Determination of Residence Status
 - ▶ Dual Residence
 - ▶ Documentation required
- 4. Public Ruling 6/2011: Residence Status of Individuals
 - ▶ Significance of Residence Status
 - ▶ Determination of Residence Status
 - ▶ Circumstances Determining Residence Status
 - ▶ Dual Residence

8 CPD Points

4. [Interest Expense, Interest Restriction and Withholding Tax](#)

<u>Date</u>	<u>Venue</u>
19 September 2011	Hotel Istana, Kuala Lumpur

Time : 9.00 a.m – 5.00 p.m
Speaker : Ms Farah Rosley

Course Contents:

- Interest expense & interest restriction
 - Understanding the IRB's treatment and update on the recently issued Public Ruling 2/2011
- Withholding tax under Section 109B and Section 109F
 - Common issues raised by the IRB and changes to penalty rules

8 CPD Points

Please visit our website www.ctim.org.my for the latest updates on our events or contact the CPD Secretariat, Ms Fadeah/Ms Yus/Mr Ridzuan at 03-2162 8989 ext 108/113/121/106 for further information. Alternatively, you can email your enquiries to cpd@ctim.org.my

MEMBERSHIP SERVICES

REMINDER FOR OUTSTANDING MEMBERSHIP SUBSCRIPTION

We regret to note from our record that the subscription for some members are still outstanding. We urge you to settle your dues as soon as possible to enjoy uninterrupted membership services. If your payment is on the way, we thank you for your support and would appreciate if you could kindly inform the Secretariat duly.

PUBLICATION

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.

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

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

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

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