

# e-CIRCULAR TO MEMBERS



CHARTERED TAX INSTITUTE OF MALAYSIA (225750-T)

e-CTIM No.09/2011

7 March 2011

TO ALL MEMBERS

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## TECHNICAL

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### 1. Income tax - e-filing of return forms BE, B, M, P and E for the year of assessment 2010

The Inland Revenue Board Malaysia (IRB) has issued a press statement on 25 February 2011 that the e-filing of return forms BE, B, M, P and E for the year of assessment 2010 is available from March 1, 2011. All taxpayers are advised to commence the e-filing of their return forms to avoid the challenges of filing the returns towards the last few days of the due date of filing of the returns.

Taxpayers who have not used e-filing before can apply for their identification numbers (PIN) by e-mailing the application to [pin@hasil.gov.my](mailto:pin@hasil.gov.my) or contact 1-300-88-3010 to e-file their returns.

For tax taxpayers who have used e-filing before but have forgotten their passwords, the IRB has detailed the steps to reset their passwords. Alternatively, the taxpayers may call the helpline at 03-4289 3535 or 1-300-88-3010 for assistance.

Members may view the press statement at the website of the IRB at <http://www.hasil.gov.my/pdf/pdfam/PengumumanBNCP2010eFiling.pdf>

### 2. Finance Act 2011 (Act 719)

The Finance Act 2011 (Act 719) has been gazetted on 27 January 2011. The Act is the same as the Finance (No. 2) Bill 2010 except that the amendment to Section 46 of the Income Tax Act 1967 now includes clarifications that "parents" shall be individuals resident in Malaysia, the medical treatment and care services are provided in Malaysia and the medical practitioner is registered with the Malaysian Medical Council.

### 3. The Malaysian-Singapore Third Country Business Development Fund (MSBDF)

The fund is co-founded by Malaysia and Singapore, and jointly administered by International Enterprise (IE) Singapore and the Malaysian Industrial Development Authority (MIDA). It aims to encourage partnership of Malaysian and Singaporean companies to expand their business operations to compete in the global arena. The fund is in the form of 50% matching grant, subject to a maximum of RM200,000 (in the case of joint feasibility studies) and is available to the services sector. Members who undertake joint feasibility studies, market research or business missions jointly with Singapore companies for investment and business opportunities in 'third countries' (outside of Malaysia and Singapore) may be eligible for the fund. For further details, members may view the detailed guidelines at the website of the MIDA at

<http://www.mida.gov.my> under e-services portal > Forms and Guidelines > Business Development Fund.

#### **4. Proposed Categorisation (3-Tier) of Approved Tax Agents**

The IRB had proposed to categorise tax agents into 3 categories at a dialogue with the professional bodies on 10 December 2010. The brief proposals are as follows:

Category 1 Tax Agent: deals with non-corporate cases, except investigation and incentive cases.

Category 2 Tax Agent: deals with all tax cases (including corporate and non-corporate cases) except cases on specialised industries (such as sea and air transport, banking, insurance, leasing and petroleum) and incentive cases

Category 3 Tax Agent: deals with all types of tax cases including cases on specialised industries and incentive cases.

The professional bodies have submitted a Joint Memorandum to the IRB to state their views on the proposed categorisation of tax agents. Members will be informed of further developments in due course.

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## CONTINUING PROFESSIONAL DEVELOPMENT



# NATIONAL TAX CONFERENCE 2011

Date: 19 & 20 July 2011 (Tuesday & Wednesday)

Venue: Kuala Lumpur Convention Centre

The pre-eminent tax conference in Malaysia. The conference provides excellent opportunities for participants to network with LHDNM officials, tax professionals and business leaders.

#### Who Should Attend

CEOs/CFOs  
Tax Directors/Professional/Consultants/  
Managers/Agents  
Financial Controllers/Finance  
Directors/Finance Managers  
Academics  
Business Leaders



CALL CTIM FOR MORE INFORMATION

TEL : 03-2162 8989 ext 106, 108, 113, 119, 121 EMAIL: [ntc@ctim.org.my](mailto:ntc@ctim.org.my)

1. **Seminar: Updates On The Case Law Development**

Date : 30 March 2011

Time : 9.00 a.m – 5.00 p.m

Venue : Seri Pacific Hotel, Kuala Lumpur

**Morning Session:**

Some of the cases to be discussed are as follows:

- Alcatel-Lucent Malaysia Sdn Bhd & Anor v KPHDN (2010) – High Court
- Lim Kooi Chang, as Trustee (2010) - High Court
- Alam Maritim (M) Sdn Bhd v LHDN (2010) - High Court
- Federal Furniture Holdings Sdn Bhd v KPHDN (2010) – High Court
- Syarikat Kion Hoong Cooking Oil Mills Sdn Bhd v KPHDN (2009) – High Court
- Opto Sensors Sdn Bhd v KPHDN (2010) - High Court
- Aspac Lubricants (Castrol) v KPHDN (2010) – Court of Appeal

Chairman: Dr. Jeyapalan Kasipillai, Council Member of CTIM

Speakers: **Mr Anand Raj & Ms Cynthia Lian**  
*Messrs. Shearn Delamore & Co.*

**Afternoon Session:**

*Case 1: ME Sdn Bhd v Ketua Pengarah Hasil Dalam Negeri (18.01.2011)*

- Whether the meaning of “incurred” under Section 33(1) of ITA 1967?
- Whether free legal fees for SPAs and loan agreements are entertainment expenses?
- Whether penalty should be imposed when the taxpayer acts in good faith and obtains professional advice?

*Case 2: Saujana Hotel Sdn Bhd v Ketua Pengarah Hasil Dalam Negeri (05.01.2011)*

- Whether the taxpayer may claim industrial building allowance despite the expiration of investment tax allowance?
- Whether the taxpayer may take advantage of the tax incentive and utilise it to its benefit?

Chairman: Dr Ahmad Faisal Zakaria, Council Member of CTIM

Speakers: **Mr S.Saravana Kumar & Ms Siti Fatimah**  
*Messrs. Lee Hishamuddin Allen & Gledhil*

**8 CPD Points**

Please visit our website [www.ctim.org.my](http://www.ctim.org.my) for the latest updates on our events or contact the CPD Secretariat, Ms Nur/Ms Fadeah/Ms Yus/Mr Ridzuan at 03-2162 8989 ext 108/119/121/106 for further information. Alternatively, you can email your enquiries to [cpd@ctim.org.my](mailto:cpd@ctim.org.my).

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### MEMBERSHIP SERVICES

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#### KIND 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.

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

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