

MINIT MESYUARAT
WORKING GROUP LHDNM DENGAN PERSATUAN AKAUNTAN
DESIRE – BIL. 1/2014

Tarikh : 10 Jun 2014 (Selasa)
Masa : 9.30 pagi
Tempat : Bilik Mesyuarat Bendahara, Aras 1, Menara Hasil, Cyberjaya.

Kehadiran:

1. WAKIL LHDNM		
1.	YBhg. Dato Mohammad Sait Bin Ahmad	Timbalan Ketua Pengarah (Operasi Percukaian) (Pengerusi)
2.	Pn. Nor'aini Ja'afar	Pengarah Jabatan Dasar Percukaian(JDP)
3.	Cik Halijah Bulat	Pengarah Jabatan Cukai Korporat (JCK)
4.	Pn. Salmah Kassim	Pengarah Jabatan Undang-Undang (JUJ)
5.	Pn. Asriah Shaari	Pengarah Jabatan Khidmat Korporat (JKK)
6.	En. Mansor Hassan	Pengarah Jabatan Percukaian Antarabangsa (JPCA)
7.	Pn. Rozina Shaik Osman Merican	Pengarah Negeri WP Putrajaya
8.	Tn. Hj. Romli A. Hamid	Pengarah Negeri Selangor
9.	Cik Puteh Mariah Harun	Pengarah Negeri WP Kuala Lumpur
10.	En Mohammed Noor Ahmad	Pengarah Dasar & Operasi (JOC)
11.	En. Marzelan Kamaruddin	Pengarah Jabatan Pemprosesan Maklumat (JPPM)
12.	Pn. Mardziah Musir	Pengarah Bhgn Duti Setem(JOC)
13.	Pn. Hazlina Hussain	Pengarah Bhgn. Nasihat Perundangan (JUJ)
14.	Pn. Jalina Abu Bakar	Pengarah Bhgn. Aplikasi e-Services (JTM)

15.	Pn. Nik Melini Nik Sulaiman	Pengarah Bhgn. Bantuan Teknikal Audit (JPC)
16.	En. Mohd Ramli A. Wahid	Timb. Pengarah Jabatan Cukai Multinasional (JCM)
17.	Pn. Er Lee Keng	Pengarah Cawangan Jalan Duta
18.	Cik Nor Azizan Adnan	Pengarah Cawangan Tidak Bermastautin
19.	En. Zulkiflee Md. Tahir	Pengarah Cawangan KL Bandar
20.	En. Abdul Halim Omar	Pengarah Cawangan Wangsa Maju
21.	Pn. Rosnani Bariman	Timb. Pengarah APM
22.	En. Mahat Daud	Timb. Pengarah Cawangan Cheras
23.	En. Ghazali Abdullah	Timb. Pengarah Cawangan Petaling Jaya
24.	En. Norhisham Ahmad	Wakil Pengarah Jabatan Resolusi & Pertikaian (JRP)
25.	Pn. Hasisah Juap	Wakil Pengarah Cawangan Shah Alam
26.	Pn. Khadijah Mohd Jaafar	Wakil Pengarah Pusat Bayaran KL
27.	Pn. Suzaina Sopian	Pejabat Ketua Pegawai Eksekutif
28.	Y.M. Raja Roslan Effendy Raja Abdillah	Pengarah Bhgn. Pusat Pengeluaran (JOC)
29.	Pn. Wan Saodah Wan Abu Bakar	Pengarah Bhgn Pengurusan Pelanggan Jabatan Operasi Cukai (JOC)
30.	Pn. Salmah Che Ros	Pengarah Bhgn. Pusat Khidmat Pelanggan (JKK)
31.	Pn. Haida Daud	Pen. Pengarah Bah. Aplikasi E-Services Jabatan Teknologi Maklumat(JTM)
32.	Pn. Hunaiza Manan	Wakil Pengarah Bhgn. Pembangunan Operasi (JOC)
33.	En. Nor Anasfahmi Mohd Anas	Wakil Pengarah Bhgn. Dasar & Operasi Pungutan (JPH)

34.	Cik Saw Guat Eim	Penolong Pengarah BDO JOC
35.	Pn. Ooi Chooi Peng	Penolong Pengarah BDO JOC
36.	Pn. Roshida Daud	Penolong Pengarah BPP JPH
37.	En. Azizul Jali	Wakil Pengarah BPID JOC
38.	En. Mohamad Nizar Mokhtar	Pen. Pengarah BPP JOC
39.	Cik Muzlifah Musa	Pen. Pegawai Bhgn. Aplikasi e-Services (JTM)
40.	En. Noor Mohamad Zakariah	Penolong Pegawai BPP JOC
41.	Pn. Piramanayaki Arunachalam	Penolong Pegawai BPP JOC
2. WAKIL PERSATUAN		
2.1. PERSATUAN AKAUNTAN		
1.	Puan Phan Wai Kuan	Wakil CTIM
2.	Puan Seah Siew Yun	Wakil CTIM
3.	Encik Foo Meng Huei	Wakil CTIM
4.	Encik Thong Vee Kean	Wakil CTIM
5.	Puan Woon Yoke Lee	Wakil MICPA
6.	Puan Tan Yu Yin	Wakil MICPA
7.	Encik Lau Haw Chong	Wakil MACS
8.	Encik Kok Lee Wing	Wakil MACS
9.	Encik Mohd Salimi	Wakil MACS
10.	Encik Sam Soh Siong Hoon	Wakil MIA
11.	Encik Salihin Bin Abang	Wakil MIA
12.	Encik Wong Yok Chin	Wakil MIA

13.	Puan Yeong Hoon Li	Wakil MIA
14.	Puan Azlina Zakaria	Wakil MIA
15.	Puan Fatimah Ariffin	Wakil MATA
16.	Puan Noorshamsiah Ahmad	Wakil MATA
17.	Encik Ong Whee Tiong	Wakil MAICSA
18.	Encik Eric Yong Siew Meng	Wakil MAICSA
19.	Encik Chow Kuo Seng	Wakil Deloitte Tax Services
20.	Mr. Trevor Keegan	Wakil EA LINKS.COM
21.	Encik Kwok Chee Sheng	Wakil YGL
22.	Encik Lee Soon Huat	Wakil YGL

1. UCAPAN PENDAHULUAN PENERUSI

Pengerusi memulakan mesyuarat dengan mengucapkan salam sejahtera, serta mengalu-alukan kehadiran semua ahli-ahli mesyuarat daripada Persatuan Akauntan dan Pengamal Percukaian, *Software Provider for Tax Agent* dan pegawai-pegawai LHDNM.

Pengerusi seterusnya memaklumkan perkara-perkara penting seperti berikut:

i. Tujuan Asal Mesyuarat Delivery System of Inland Revenue [DESIRE]

- Didapati masih ada di antara isu-isu yang dikemukakan oleh badan-badan profesional dan SPTA tidak menepati tujuan mesyuarat DESIRE.
- Skop perbincangan dalam mesyuarat ini ditetapkan untuk membincangkan hanya isu-isu yang memenuhi tujuan DESIRE. Iaitu **isu-isu pembaharuan dan penambahbaikan operasi percukaian untuk sistem penyampaian LHDNM**

- Untuk memberikan jawapan bertulis kepada isu-isu operasi yang dikemukakan oleh badan profesional dan SPTA

Lampiran 1: CTIM Memorandum for DESIRE 1/2014.

Lampiran 2: Letter to IRB – Issue page MICPA.

Lampiran 3: Operational Issues MIA.

Lampiran 4: Issues for DESIRE Meeting – Trevor Keegan @ ealink.com.

Lampiran 5: CTIM Supplementary issues for DESIRE meeting 10 June 2014 (F050614)

ii. Tatacara ejen cukai diluluskan di bawah seksyen 153(3) ACP 1967 berurusan dengan LHDNM

- LHDNM telah menetapkan mulai 1 Disember 2014 hanya ejen cukai diluluskan di bawah seksyen 153(3), ACP 1967 sahaja akan dilayani untuk berurusan berhubung dengan hal-hal percukaian.
- Tempoh konsesi dua tahun yang telah diberikan oleh LHDNM telah tamat pada 17 Mac 2013.
(Perenggan 3.1.g Mesyuarat DESIRE Bil. 1/2011 bertarikh 18 Mac 2011).

iii. Usaha-usaha pembaharuan dan penambahbaikan sistem elektronik operasi percukaian

- eBAS – electronic Batch Submission.
- eSMUP – Sistem maklumat untuk Pengesanan.
- XBRL – Extensible Business Reporting Language.
- SPEDOS – Sistem untuk Runners Duti Setem.
- MDTD – Managing Deliberate Tax Defaulter.

2. PERBINCANGAN

ISSUES FOR DESIRE MEETING 1/2014

2.1 CTIM MEMORANDUM FOR DESIRE MEETING NO.1/2014

2.1.1 IRB's System Not Capturing The Change in Accounting Year End

The IRB's system did not capture change of accounting year end although Form CP204B has been submitted to the Pusat Pemprosesan Maklumat / Cawangan Cukai Korporat. The following two scenarios have occurred:

a) Form J with penalty for non-submission of tax return under Section 112(3) of ITA had been issued (although the tax return was not due for tax submission yet). After taxpayers' checking with Pusat Pemprosesan, they have been informed that the change in the accounting year end has yet to be reflected in the IRB's system.

b) Issuance of CP17SA(I)(STS) Pemberitahu Cukai Pendapatan Yang Dinaikkan Di Bawah Seksyen 107C(10) due to system not picking up the new basis period after a long time.

Comment:

The Institute suggests that the operating system for change of accounting year end be updated immediately to avoid such incidents. In addition, we propose that the IRB to extend e-Kemaskini system for companies to enable them to update all information including change of accounting year-end.

Jawapan LHDNM

Subseksyen 90(3) ACP 1967 bagi Tahun Taksiran 2012 dibangkitkan secara auto mulai bulan Ogos 2013. Tindakan penambahbaikan kriteria pengeluaran subseksyen 90(3) telah diambil.

LHDNM mengambil maklum dan mempertimbangkan cadangan untuk menyediakan e-Kemaskini untuk syarikat. Apabila sistem ini dilaksanakan kelak, semua ejen cukai diwajibkan menggunakannya untuk mengemaskini profil syarikat.

2.2 ISSUE RAISED BY MICPA FOR DESIRE WORKING GROUP BIL. 1/2014

2.2.1. 2015 PCB Table

The Institute welcomes the initiative taken by the Inland Revenue Board of Malaysia (IRBM) to broadcast tax related matters via various media such as the IRBM's portal and at its Branches (banners, flashboards, brochures, and etc.), newspapers, television, radio and through professional bodies in certain instances.

To ensure accurate computation of Monthly Tax Deduction (MTD) due to the reduction of income tax rates for individuals with effect from Year of Assessment 2015 and in line with the MTD as Final Tax, the Institute would like to request for the IRBM to post on its website by December 2014 the 2015 PCB table.

To attract the attention of the employers on the uploading of the 2015 PCB table, the Institute would suggest for the update to be flashed on the IRBM's home page for a suitable period of time.

Jawapan LHDNM

LHDNM bersetuju dengan cadangan penambahbaikan Jadual PCB tetapi deraf cadangan jadual adalah tertakluk kepada persetujuan MoF.

IRBM existing Standard of Procedure (SOP) is to publish/inform the tax payers of any changes announced in the Budget at IRBM website. In addition, the IRBM corporate service department will broadcast any up-to-date tax matters through IRBM media partners.

However, IRBM will only publish the new Table of Monthly Tax Deduction (MTD) 2015 in IRBM website after been gazette by the Minister, which is normally done before or on 31 December, 2014.

Please take note that, the MTD table is only allowed to be use by the employer who uses payroll manually (without using the payroll system).

For employer who uses payroll system, IRBM will send an email (after the budget announcement) to give a list of all software providers who had been verified by IRBM (http://www.hasil.gov.my/pdf/pdfam/Payroll_Vendor_and_Employer.pdf) the latest update and changes in their system. i.e. the reduction of tax rate. Then, the software providers will update their clients or customer accordingly and make sure the system is in order before 1st January, 2015.

2.3 MIA - ISSUES FOR DESIRE MEETING NO. 1/2014

2.3.1 Allowance of e-Lejar for access by for tax agent

The purpose of e-lejar is to enable taxpayers to determine whether his personal details such as address and bank account number had been recorded correctly by the IRB.

Through the display of the ledger, taxpayer can also check whether taxpayers' records of tax transactions namely assessments, payments and repayments have been accurately updated. For instance, to confirm whether monthly tax deducted by the employer have been received and credited by the IRB. It is also to check whether tax assessment submitted via e-Filing has been updated in the ledger. In addition, taxpayer can also know his current tax balance position i.e. whether he has a debit or credit balance.

Currently, the tax agents have to write a letter to IRB to get the necessary information (i.e. tax balance position), which may take some time for IRB to respond. This cause the delay in preparing the taxpayer returns.

In view of easing the tax agent in carrying out their responsibilities in their clients' tax preparation, the Institute would like to suggest that the IRB to allow the tax agents (by special concession) to access its clients' e-Lejar. This is to assist and ensure that the tax agent carrying out their duties efficiently and effectively.

Jawapan LHDNM

LHDNM tidak bersetuju dengan cadangan yang dikemukakan kerana eLejar bukan kemudahan *final tax position* yang dikeluarkan bersyarat dan tidak boleh digunakan untuk tujuan perundangan. eLejar bukan penyata akaun.

Perlantikan ejen cukai di bawah 153(3) adalah untuk tujuan pengemukaan BNCP dan urusan percukaian sahaja. Ia tidak melibatkan urusan pembayaran cukai.

2.3.2 Pre-filling of the return forms

Currently, the Income Tax Return Forms (ITRF) have been pre-filled with the following information:

- ✓ **Monthly tax deductions made**
- ✓ **Instalments of tax paid**

In view of the existence of the pre-filling facility, the Institute is of the view that the pre-filling could be made by reference to the Form E which is filed by the employer. The following information which is available in Form E would facilitate accurate information in an individual taxpayer's return form:

- ✓ **Salary**
- ✓ **Benefits in kind**
- ✓ **Exempt benefits (to employee)**

Jawapan LHDNM

Kemudahan Praisi untuk individu sememangnya sudah disediakan mulai tahun 2011.

Majikan boleh menghantar data Praisi pekerja selewat-lewatnya pada 15 Februari setiap tahun untuk dimasukkan ke dalam maklumat BNCP pekerja masing-masing sebelum penggunaan sistem e-Filing dibuka kepada umum pada 1 Mac.

2.4 Issue for DESIRE Meeting No. 1/2014 – Trevor Keegan EALINK.COM

My issues are pretty much the same as I have raised in the past:

- 2.4.1 We don't have a reliable non-production (test) environment to work against. We were originally told that the Elatihan and Production environments would be the same, but they are not. It is very difficult to support our clients when Elatihan is:
 - a. Constantly changing, and not in synch with the production environment
 - b. It has bugs, or server crashes in it that don't exist in production
- 2.4.2 The implementation of the HTH (XML) efilings is incomplete. It only supports the borang C. It does not support:
 - c. The rest of the corporate forms (e.g. CP204, CP204A, etc)
 - d. We cannot use it for individual filings

- e. We also cannot use it for the Tax payer logins (this is important since we are helping to automate the filing for a number of GLC's)
- f. There is no road map for when/if these other things are going to be done, and the development seems to be done at a very slow pace

- Trevor Keegan

Jawapan LHDNM

Secara umumnya, persekitaran e-Latihan dan produksi adalah sama. Walau bagaimanapun, dalam sesetengah keadaan berlaku ketidaksamaan disebabkan perkara berikut:

- Keupayaan prasarana e-Latihan tidak sama dengan produksi. Prasarana e-Latihan akan di pertingkatkan sama seperti persekitaran produksi selewat-lewatnya pada Disember 2014.
- e-Latihan juga merupakan persekitaran ujian bagi pengguna LHDNM membuat ujian penambahbaikan atapun sistem e-Filing yang sedia ada sebelum dimasukkan ke produksi.

2(a) & (b)

Cadangan diambil maklum.

2(c)

Sekiranya syarikat GLC diwakili oleh ejen cukai, kemudahan ini boleh digunakan melalui TAeF.

2(d)

Berdasarkan statistik pengguna eBaS sehingga 2 Jun 2014 didapati hanya ada satu ejen cukai sahaja yang menggunakan eBAS dengan 9 rekod penghantaran.

3. HAL-HAL LAIN

Pengerusi memaklumkan semua isu-isu operasi yang dibangkitkan oleh badan profesional akan diberikan jawapan dan penyelesaian secara bertulis.

4. PENUTUP

Pengerusi mengucapkan ribuan terima kasih kepada semua yang hadir kerana mengaktifkan perbincangan. Mesyuarat ditamatkan pada jam 12.15 tengahhari

Issues For The Improvement Of Existing Tax Operations:

1. Tax Clearance Letter for Expatriates

The Institute was informed of a case that the IRB has refused to accept Form CP22A for issuance of tax clearance letter for expatriate who has resigned from a company but not leaving Malaysia, instead has taken up another employment with a company in Malaysia. The IRB officer informed that the standard procedure for issuing of a tax clearance letter is that the first employment company must submit a Form 21, and the relevant tax return that is to be signed by that employment company / tax agent on behalf of the expatriate. Certification of passport is also required.

Comment:

CTIM would like to seek clarification from the IRB on the procedure for obtaining a tax clearance letter under such circumstance, i.e. whether a Form CP21 is still required for expatriates who resigned from one company in Malaysia and work with another company also in Malaysia. CTIM is of the view that the procedures may be simplified since the risk of the expatriate leaving the country without paying tax is minimal.

To enhance clarity and facilitate self-compliance, CTIM suggests that guidelines similar to *Tax Clearance Letter (SPC) Application Procedure For Companies* be issued for individuals, with particular emphasis on expatriate.

Jawapan LHDNM - *(bukan isu DESIRE)

CP21 terpakai untuk subseksyen 83(4) ACP 1967 bagi pekerja yang akan meninggalkan Malaysia.

CP22A terpakai untuk subseksyen 83(3) ACP 1967 bagi pekerja yang akan berhenti bekerja. Jadi dalam kes ini CP22A adalah terpakai.

CTIM diminta untuk mengemukakan maklumat cawangan yang memberikan maklumat yang kurang tepat untuk semakan lanjut LHDNM.

2. Late Delivery of Letters / Forms to Taxpayers

Members of the Institute have informed that they received IRB's letters including Forms J very late from the date of the documents. In some instances, more than a month. In one particular case, the Form J was issued in late February 2014 but received on 9 April 2014. For notices that bear deadlines, taxpayers have to go through the process of calling the IRB Collection Branch to explain the situation whilst most officers will reply that a 10% penalty will still be imposed automatically. When there usually has no printing of dates on the IRB's envelopes, proving of dates has become additional burden to the taxpayers.

Comment:

This has been repeatedly happened and the Institute will appreciate any effective measures by the IRB that will bring down such incidents. In this respect, CTIM suggests that the IRB may wish to re-introduce the practice of forward dating of the Form J, as implemented previously.

Jawapan LHDNM - *(bukan isu DESIRE)

Notis Taksiran dicetak dan dipos pada hari yang sama setelah taksiran dibangkitkan.

Pihak persatuan diminta mengemukakan kes spesifik yang terlibat untuk semakan lanjut LHDNM.

3. IRB's System Not Capturing The Change in Accounting Year-End

The IRB's system did not capture change of accounting year end although Form CP204B has been submitted to the Pusat Pemprosesan Maklumat / Cawangan Cukai Korporat. The following two scenarios have occurred:

- c) Form J with penalty for non-submission of tax return under Section 112(3) of ITA had been issued (although the tax return was not due for tax submission yet). After taxpayers' checking with Pusat Pemprosesan, they have been informed that the change in the accounting year end has yet to be reflected in the IRB's system.
- d) Issuance of CP17SA(l)(STS) Pemberitahu Cukai Pendapatan Yang Dinaikkan Di Bawah Seksyen 107C(10) due to system not picking up the new basis period after a long time.

Comment:

The Institute suggests that the operating system for change of accounting year end be updated immediately to avoid such incidents. In addition, we propose that the IRB to extend e-Kemaskini system for companies to enable them to update all information including change of accounting year-end.

Jawapan LHDNM

Subseksyen 90(3) ACP 1967 bagi Tahun Taksiran 2012 dibangkitkan secara auto mulai bulan Ogos 2013. Tindakan penambahbaikan kriteria pengeluaran subseksyen 90(3) telah diambil.

LHDNM mengambil maklum dan mempertimbangkan cadangan untuk menyediakan e-Kemaskini untuk syarikat. Apabila sistem ini dilaksanakan kelak, semua ejen cukai diwajibkan menggunakannya untuk mengemaskini profil syarikat.

4. Filing of Income Tax Return Form (ITRF) by Dormant Companies

We refer to Item 14 of the Minutes of Dialogue on Operational and Technical Issues - No. 1/2014.

Based on the reply, the IRB will no longer issue letter of confirmation granting non-submission concession to dormant companies. In this respect, it appears that all existing dormant companies would have to file the ITRF unless in cases of liquidated companies where tax files had been closed by the IRB.

Comment:

In relation to the above, the Institute would like to seek clarification from the IRB as to the following scenarios:

- a) A dormant company which has yet to commence operations with no tax file registered. The application to register a tax file was rejected as there is no income and the business has not yet commenced.
- b) A newly incorporated dormant company which has yet to commence operations but was registered with a tax file with the IRB (says, for real property gains tax purposes) and not deriving any income yet.
- c) Received a Form C but has not filed because of verbal approval for concession not to file.

CTIM understands that the IRB is looking into the matter and would like to have a clearer update so that we can advise our members. CTIM suggests that this change in practice for dormant companies to file tax returns be enforced on prospective basis, say, effective 2014.

Jawapan LHDNM - *(bukan isu DESIRE)

Seksyen 77A ACP 1967 menghendaki syarikat untuk mengemukakan BNCP dalam tempoh 7 bulan dari penutupan tempoh perakaunan.

Tiada peruntukan dalam ACP 1967 yang mengecualikan syarikat daripada mematuhi seksyen 77A.

- a) **Kemudahan e-Daftar syarikat telah ditambah baik untuk membenarkan syarikat yang belum memulakan operasi perniagaan.**
- b) **Syarikat yang telah mendaftar fail cukai pendapatan walaupun bagi tujuan CKHT sahaja, masih tertakluk kepada seksyen 77A.**
- c) **Seksyen 77A masih terpakai.**

LHDNM secara am bersetuju untuk mempertimbangkan cadangan CTIM agar keperluan mengemukakan BNCP untuk syarikat-syarikat yang dorman, belum memulakan operasi perniagaan atau yang telah menerima surat pengecualian dari cawangan-cawangan LHDNM,

dilakukan secara prospektif mulai tahun taksiran 2014 mengikut pertimbangan '*case-to-case basis*'.

5. 2013 and 2014 Tax Filing Programmes – Issues Faced by Companies Having Overlapping Period

Please refer to Appendix I (attached) submitted to the Tax Operation Department relating to the applicability of grace period for the submission of tax returns by companies having overlapping basis period due to the change of financial year end.

Based on the reply received from the Tax Operation Department (Appendix II), the grace period of 15 days / 1 month given according to the 2013 and 2014 Tax Filing Programmes is not applicable for the submission of ITRF for the year of assessment ["YA"] 2012 (Scenario 1) and YA 2013 (Scenario 2) which are to be filed concurrently with the ITRF for YA 2013 and YA 2014 respectively where the due dates for submission fall in the calendar year 2014.

As mentioned in Appendix I, with the non-applicability of grace period as mentioned above, it is as though the grace period of 15 days and 1 month given by the IRB according to the 2013 and 2014 Tax filing Programmes could not be enjoyed by the taxpayer companies as the ITRF for both YAs (i.e. ITRF for YA 2012 and YA 2013 in Scenario 1; and ITRF for YA 2013 and YA 2014 in Scenario 2) would have to be prepared concurrently for submission to the IRB.

Comment:

In reality, the ITRF for YA 2012 (in Scenario 1) and YA 2013 (in Scenario 2) can only be filed when ITRF for YA 2013 and YA 2014 are ready respectively. Hence, strict adherence to grace period for filing of ITRF in YA 2012 and 2013 respectively deny the taxpayers of enjoying the grace period for filing of ITRF in YA 2013 and YA 2014. In this regard, we wish to appeal to the IRB for reconsideration of its stance on the above matter.

Jawapan LHDNM - *(bukan isu DESIRE)

Tujuan utama memberi tambahan masa di bawah Program Memfailkan BNCP adalah untuk menggalakkan pengemukakan BNCP secara e-Filing. Ianya merujuk kepada BNCP tahun taksiran semasa.

Demi menggalakkan penggunaan kemudahan e-Filing, LHDNM bersetuju untuk mempertimbangkan cadangan CTIM agar tambahan masa seperti dalam Program Memfailkan BNCP tahun berkenaan, diberi kepada pembayar cukai yang mengemukakan BNCP secara e-Filing.

Di mana syarikat terdapat tempoh asas bertindih, pertimbangan ini diberikan secara prospektif mulai tahun taksiran 2014.

Appendix I

We illustrate below two scenarios for your easy reference:-

Scenario 1 - Due Date for Submission of Forms C and R for the Year of Assessment ["YA"] 2012 Falling Within the Calendar Year 2014

ABC Sdn Bhd ["ASB"] normally closes its accounts on 31st December. ASB has changed its financial year end to 30th September and its accounts are made up as follows:-

- 01.01.2012 to 30.09.2012
- 01.10.2012 to 30.09.2013

In this respect, the company's basis periods and the statutory due dates for submission of Forms C and R for the YA 2012 and YA 2013 are as follows:-

YA	Accounting Period	Basis Period	Statutory Due Date for Submission of Forms C and R	Grace Period	Extended Due Date for Submission of Forms C and R
2012	01.01.2012 - 30.09.2012	01.01.2012 - 31.12.2012	30.04.2014	15 days (to be confirmed by IRB)	15.05.2014 (to be confirmed by IRB)
	01.10.2012 - 30.09.2013				
2013		01.10.2012 - 30.09.2013	30.04.2014	15 days*	15.05.2014

* The grace period of 15 days / extended due date of 15.05.2014 is determined based on the Filing Programme for Income Tax Return Forms ["ITRF"] in the Year 2013 and Filing Programme for ITRF 2014 as explained below.

Based on the Filing Programme for ITRF in the Year 2013, where the due date for submission of Forms C and R for the YA 2013 falls in the calendar year 2013, the grace period of 15 days for e-filing is allowed. It is also stated in the "Note to Item 2.2B" of the Filing Programme for ITRF in the Year 2014 that where the due date for submission of the Forms C and R for the YA 2013 falls in the calendar year 2014, the Filing Programme for ITRF in the Year 2013 shall apply. As such, the extended date for submission of the Forms C and R for the YA 2013 in the above scenario shall be 15.05.2014.

LAMPIRAN 1

In relation to the above, we wish to seek your confirmation that for companies that are preparing the ITRF for both the YA 2012 and YA 2013 concurrently relying on the same sets of Audited Financial Statements (i.e. due to overlapping period resulting from change of accounting year end) for submission to the IRB in the calendar year 2014, the grace period of 15 days / extended due date of 15th May 2014 shall also be applicable to the submission of the ITRF for the YA 2012.

It is with good intention of the IRB to allow taxpayers a grace period of 15 days to file the ITRF for the YA 2013. In view of the fact that the ITRF for both the YA 2012 and YA 2013 are prepared relying on the same sets of Audited Financial Statements, the benefit of 15-day grace period given to the taxpayers for submission of the ITRF for the YA 2013 should likewise be given for submission of the ITRF for the YA 2012. Otherwise, it is as though the 15-day grace period given for the YA 2013 could not be enjoyed by the taxpayers if the ITRF for the YA 2012 needs to be submitted by 30th April 2014 (i.e. without allowing the grace period of 15 days up to 15th May 2014) as the ITRF for both the aforesaid years of assessment would be prepared for submission to the IRB concurrently.

Scenario 2 - Due Date for Submission of Forms C and R for the YA 2013 Falling Within the Calendar Year 2014

ABC Sdn Bhd ["ASB"] normally closes its accounts on 31st December. ASB has changed its financial year end to 31st March and its accounts are made up as follows:-

- 01.01.2012 to 31.03.2013
- 01.04.2013 to 31.03.2014

In this respect, the company's basis periods and the statutory due dates for submission of Forms C and R for the YA 2012 to YA 2014 are as follows:-

YA	Accounting Period	Basis Period	Statutory Due Date for Submission of Forms C and R	Grace Period	Extended Due Date for Submission of Forms C and R
2012	01.01.2012 - 31.03.2013	01.01.2012 - 31.12.2012	31.10.2013	15 days	15.11.2013
2013		01.01.2013 - 31.12.2013	31.10.2014	1 month	30.11.2014
	01.04.2013 - 31.03.2014			(to be confirmed by IRB)	(to be confirmed by IRB)
2014		01.04.2013 - 31.03.2014	31.10.2014	1 month [#]	30.11.2014

[#] Based on the Filing Programme for ITRF in the Year 2014, where the due date for submission of Forms C and R for the YA 2014 falls in the calendar year 2014, the grace period of 1 month for e-filing is allowed.

LAMPIRAN 1

In relation to the above, we wish to seek your confirmation that for companies that are preparing the ITRF for both the YA 2013 and YA 2014 concurrently relying on the same sets of Audited Financial Statements (i.e. due to overlapping period resulting from change of accounting year end) for submission to the IRB in the calendar year 2014, the grace period of **1 month / extended due date of 30th November 2014** [instead of 15 days / extended due date of 15th November 2014 (as per the Filing Programme for ITRF in the Year 2013 and Filing Programme for ITRF in the Year 2014 as explained in Scenario 1 above)] shall also be applicable to the submission of the ITRF for the YA 2013.

Likewise, as mentioned in Scenario 1 above, it is as though the taxpayers not being able to enjoy the grace period of 1 month allowed under the Filing Programme for ITRF in the Year 2014 for submission of the YA 2014 if the 1-month grace period (i.e. up to 30th November 2014 in the Scenario 2 above) is not given to the taxpayer for submission of the ITRF for the YA 2013.

We would be pleased if you could give us your confirmation of the above extended due dates for submission of the tax returns for the relevant years of assessment which are to be prepared concurrently based on the same sets of Audited Financial Statements due to change of accounting year end mentioned in Scenarios 1 and 2 above.

Your kind attention and prompt reply on the foregoing is much appreciated. Should you require further clarification on the foregoing, please do not hesitate to contact us.

Appendix II

ABC SDN. BHD.					
Tahun Taksiran	Tempoh Perakaunan	Tempoh Asas	Tarikh Kena Hantar BNCP	Tambahan Masa (Grace Period)	Catatan
SENARIO 1: Pertukaran Tempoh Perakaunan dari 31 Disember kepada 30 September					
2012	01.01.2012 – 30.09.2012	01.01.2012 – 31.12.2012	30.04.2014 (<i>Lanjutan Masa</i>)	Tiada	~ Mengikut Seksyen 77A Akta Cukai Pendapatan 1967 (ACP 1967), tarikh akhir (<i>due date</i>) pengemukakan borang sepatutnya 30.04.2013. Disebabkan tempoh bertindih (01.10.2012 – 31.12.2012), maka syarikat dibenarkan untuk mengemukakan borang nyata cukai pendapatan (BNCP) pada atau sebelum tarikh akhir pengemukakan borang mengikut tarikh penutupan perakaunan yang kedua. ~ Tambahan masa 15 hari TIDAK terpakai kerana lanjutan masa (<i>extension of time</i>) telah dibenarkan sehingga 30.04.2014. [Perenggan 2.5(v) Program Memfailkan BNCP Bagi Tahun 2014]
2013	01.10.2012 – 30.09.2013	01.10.2012 – 30.09.2013 (Ikut tempoh perakaunan biasa)	30.04.2014 (<i>Due Date</i>)	15 hari (e-Filing)	30.04.2014 adalah tarikh akhir (<i>due date</i>) pengemukakan borang seperti ditetapkan dalam Akta Cukai Pendapatan 1967.

6. Notification of Civil Proceedings by the IRB Not Reflecting the Latest Tax Payment Position

The IRB has recently issued "Notification of Civil Proceedings" to companies for recovery of income tax (note that there was no letter from the IRB before this on recovery of outstanding tax liability or statement of account prior to the issuance of notification). However, the outstanding tax liability stated in the notification is different from the taxpayer's records. In actual fact, based on the taxpayer's records, the company's had a credit balance and which was subsequently confirmed and refunded by the IRB three months after receiving the notification.

It appears that the notification generated by the system did not reflect the latest or correct tax payment hence, resulting to the unnecessary process of writing and appealing against the notification. In one case, the officer-in-charge realized that the status in the system was not updated and erroneous and has requested the notification to be disregarded. Similar issues were raised in previous DESIRE meetings but is recurring.

Comment:

Such incident not only resulted in administrative and operational burden on both the authority and taxpayer but also placed unnecessary work load to the taxpayer and tax agent. We would appreciate if the authority revisit this concern and improve the integration of information to avoid such incident.

Jawapan LHDNM - *(Bukan isu DESIRE)

Tindakan pengeluaran adalah secara Automatik. Perbezaan adalah disebabkan tarikh petikan data dan tarikh bayaran diterima.

Tindakan penambahbaikan akan diambil.

ISSUE RAISED BY MICPA FOR DESIRE WORKING GROUP BIL. 1/2014**1. 2015 PCB Table**

The Institute welcomes the initiative taken by the Inland Revenue Board of Malaysia (IRBM) to broadcast tax related matters via various media such as the IRBM's portal and at its Branches (banners, flashboards, brochures, and etc.), newspapers, television, radio and through professional bodies in certain instances.

To ensure accurate computation of Monthly Tax Deduction (MTD) due to the reduction of income tax rates for individuals with effect from Year of Assessment 2015 and in line with the MTD as Final Tax, the Institute would like to request for the IRBM to post on its website by December 2014 the 2015 PCB table.

To attract the attention of the employers on the uploading of the 2015 PCB table, the Institute would suggest for the update to be flashed on the IRBM's home page for a suitable period of time.

Jawapan LHDNM -*isu DESIRE

LHDNM bersetuju dengan cadangan penambahbaikan Jadual PCB tetapi deraf cadangan jadual adalah tertakluk kepada persetujuan MoF.

IRBM existing Standard of Procedure (SOP) is to publish/inform the tax payers of any changes announced in the Budget at IRBM website. In addition, the IRBM corporate service department will broadcast any up-to-date tax matters through IRBM media partners.

However, IRBM will only publish the new Table of Monthly Tax Deduction (MTD) 2015 in IRBM website after been gazette by the Minister, which is normally done before or on 31 December, 2014.

Please take note that, the MTD table is only allowed to be use by the employer who uses payroll manually (without using the payroll system).

For employer who uses payroll system, IRBM will send an email (after the budget announcement) to give a list of all software providers who had been verified by IRBM (http://www.hasil.gov.my/pdf/pdfam/Payroll_Vendor_and_Employer.pdf) the latest update and changes in their system. i.e. the reduction of tax rate. Then, the software providers will update their clients or customer accordingly and make sure the system is in order before 1st January, 2015.

1. Online Submission of Form CP204

The Institute is being informed by the members during the dialogue held between the Inland Revenue Board (IRB) Johor State and Professional Bodies on 9 April 2014 that the e-filing system has rejected the Form CP 204 when 'zero' estimate is submitted.

In view of the above situation, the Institute would appreciate if the IRB could clarify and advise any remedial action.

Jawapan LHDNM - *bukan isu DESIRE

Kes Baru

Sistem benarkan untuk input amaun anggaran RM0.00

Kes Sedia Ada

Jika Jadual CP204 telah wujud bagi tahun sebelum, kriteria 85% akan digunakan. Pembayar cukai perlu mengemukakan CP204 secara Borang Kertas ke JPPM bersama rayuan bagi kes yang memohon anggaran CP204 kurang 85% dari anggaran tahun sebelum.

2. Allowance of e-Lejar for access by for tax agent

The purpose of e-lejar is to enable taxpayers to determine whether his personal details such as address and bank account number had been recorded correctly by the IRB.

Through the display of the ledger, taxpayer can also check whether taxpayers' records of tax transactions namely assessments, payments and repayments have been accurately updated. For instance, to confirm whether monthly tax deducted by the employer have been received and credited by the IRB. It is also to check whether tax assessment submitted via e-Filing has been updated in the ledger. In addition, taxpayer can also know his current tax balance position i.e. whether he has a debit or credit balance.

Currently, the tax agents have to write a letter to IRB to get the necessary information (i.e. tax balance position), which may take some time for IRB to respond. This cause the delay in preparing the taxpayer returns.

In view of easing the tax agent in carrying out their responsibilities in their clients' tax preparation, the Institute would like to suggest that the IRB to allow the tax agents (by special concession) to access its clients' e-Lejar. This is to assist and ensure that the tax agent carrying out their duties efficiently and effectively.

Jawapan LHDNM

LHDNM tidak bersetuju dengan cadangan yang dikemukakan kerana eLejar bukan kemudahan *final tax position* yang dikeluarkan bersyarat dan tidak boleh digunakan untuk tujuan perundangan. eLejar bukan penyata akaun.

Pelantikan ejen cukai di bawah 153(3) adalah untuk tujuan pengemukaan BNCP dan urusan percukaian sahaja. Ia tidak melibatkan urusan pembayaran cukai.

3. Pre-filling of the return forms

Currently, the Income Tax Return Forms (ITRF) have been pre-filled with the following information:

- ✓ Monthly tax deductions made
- ✓ Instalments of tax paid

In view of the existence of the pre-filling facility, the Institute is of the view that the pre-filling could be made by reference to the Form E which is filed by the employer. The following information which is available in Form E would facilitate accurate information in an individual taxpayer's return form:

- ✓ Salary
- ✓ Benefits in kind
- ✓ Exempt benefits (to employee)

Jawapan LHDNM

Kemudahan Praisi untuk individu sememangnya sudah disediakan mulai tahun 2011.

Majikan boleh menghantar data Praisi pekerja selewat-lewatnya pada 15 Februari setiap tahun untuk dimasukkan ke dalam maklumat BNCP pekerja masing-masing sebelum penggunaan sistem e-Filing dibuka kepada umum pada 1 Mac.

Issue for DESIRE Meeting No. 1/2014 – Trevor Keegan EALINK.COM

My issues are pretty much the same as I have raised in the past:

2. We don't have a reliable non-production (test) environment to work against. We were originally told that the Elatihan and Production environments would be the same, but they are not. It is very difficult to support our clients when Elatihan is:
 - a. Constantly changing, and not in synch with the production environment
 - b. It has bugs, or server crashes in it that don't exist in production
3. The implementation of the HTH (XML) e-filing is incomplete. It only supports the borang C. It does not support:
 - a. The rest of the corporate forms (e.g. CP204, CP204A, etc)
 - b. We cannot use it for individual filings
 - c. We also cannot use it for the Tax payer logins (this is important since we are helping to automate the filing for a number of GLC's)
 - d. There is no road map for when/if these other things are going to be done, and the development seems to be done at a very slow pace

- Trevor Keegan

Jawapan LHDNM

Secara umumnya, persekitaran e-Latihan dan produksi adalah sama. Walau bagaimanapun, dalam sesetengah keadaan berlaku ketidaksamaan disebabkan perkara berikut:

- **Keupayaan Prasarana e-Latihan tidak sama dengan produksi. Prasarana e-Latihan akan dipertingkatkan sama seperti persekitaran produksi selewat-lewatnya pada Disember 2014.**
- **e-Latihan juga merupakan persekitaran ujian bagi pengguna LHDNM membuat ujian penambahbaikan ataupun sistem e-Filing yang sedia ada sebelum dimasukkan ke produksi.**

2(a) & (b)

Cadangan diambil maklum.

2(c)

Sekiranya syarikat GLC diwakili oleh ejen cukai, kemudahan ini boleh digunakan melalui TAeF

2(d)

Berdasarkan statistik pengguna eBaS sehingga 2 Jun 2014 didapati hanya ada satu ejen cukai sahaja yang menggunakan eBAS dengan 9 rekod penghantaran.

1. Transfer Pricing (TP) documentation disclosure in Item R4, page 14 of the Form C for YA 2014

We noted that the TP documentation disclosure is required in the Form C for YA 2014. The TP documentation disclosure and explanation as per *Company Return Form Guidebook 2014* for completing the disclosure are set-out as follows:-

Form C 2014 (Page 14)

R4 Transfer Pricing Documentation prepared

(Enter "X" in the relevant box) Yes No

Company Return Form Guidebook 2014

Explanation (Page 30)

TP documentation prepared

Referring to the Income Tax (Transfer Pricing) Rules 2012 and Transfer Pricing Guidelines 2012, a person who enters into a controlled transaction shall prepare a contemporaneous transfer pricing documentation. The transfer pricing documentation shall be prepared for the year in which a controlled transaction exists.

Contemporaneous transfer pricing documentation means transfer pricing documentation which is brought into existence:-

- and
- a) when a person is developing or implementing any controlled transaction;
 - b) where in a basis period for a year of assessment, the controlled transaction is reviewed and there are material changes, the documentation shall be updated prior to the due date for furnishing a return for that basis period for that year of assessment.

If the current transfer pricing documentation is prepared, enter 'X' in the box for 'Yes'.

Enter 'X' in the box for 'No' if the current transfer pricing documentation has not been prepared or is not relevant.

Comments:

1. If the taxpayer has prepared TP documentation up to YA 2012 and there were no material changes in the taxpayer's controlled transactions in YA 2013 and YA 2014, can the taxpayer respond "Yes" for Item R4?

In Rule 4 of the TP Rules, it is stated that "Where there are any material changes in the controlled transaction in a basis period for a year of assessment under review, the contemporaneous transfer pricing documentation shall be updated before the due date for furnishing a return for that basis period for that year of assessment".

Based on the above Rule, the TP documentation up to YA 2012 is not required to be updated for YA 2013 and YA 2014 as there were no material changes in the taxpayer's controlled transactions for YA 2013 and YA 2014.

Under such circumstances, we would like to seek the IRB's confirmation that the taxpayer can respond "Yes" for Item R4 as the taxpayer has TP documentation that is still current.

JAWAPAN

Pembayar cukai boleh menandakan "YA" sekiranya tiada "material change" dalam tempoh tersebut seperti yang dijelaskan di atas dan juga yang dimaksudkan di dalam Kaedah 4, Kaedah-Kaedah Cukai Pendapatan (Penentuan Harga Pindahan) 2012.

2. If the taxpayer's turnover and related party transactions are below the thresholds mentioned in the TP Guidelines and opts not to prepare TP documentation, how should the taxpayer respond for Item R4 e.g. can the taxpayer respond "No" for Item R4?

JAWAPAN

Pembayar cukai adalah di bawah ambang yang ditetapkan oleh perenggan 3, "Transfer Pricing Guidelines 2012" dan memilih untuk tidak menyediakan dokumentasi Pindahan Harga. Pembayar cukai perlu menandakan kotak "Tidak"

Di ruangan R4, Borang C 2014.

3. Where the taxpayer responds "No" for Item R4, what are the implications to the taxpayer? Would the IRB request for further information from the taxpayer and if so, please elaborate on the information which is likely to be requested.

JAWAPAN

Sekiranya pembayar cukai menandakan "Tidak" di ruangan R4, Borang C 2014, dan pembayar cukai dipilih untuk audit Pindahan Harga, pembayar cukai perlulah membuktikan transaksi berkaitan yang terlibat adalah pada harga selengan.

