

**TECHNICAL**

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**Direct Tax**

**[Clarification on Item VII \(Date of commencement of operations\) in the YA 2015 Form C](#)**

The Institute has obtained clarification from the Inland Revenue Board of Malaysia (LHDNM) on the above as follows:

- 1. Whether this item is only meant for a company which commenced operations during the current basis period.**
- 2. Whether for existing companies which had commenced operations prior to YA 2015, this item may be left blank.**

**LHDNM's answer for Q1 & Q2:**

This item is applicable to all companies irrespective of whether the company commences operations in the basis period for the current Year of Assessment or prior to that.

- 3. Whether for dormant companies (including companies which have not commenced operations or which have ceased operations), this item may be left blank.**

**LHDNM's answer:**

This item can be left blank in the case of companies which have not commenced operations. Companies which have ceased operations are still required to enter in this item, the date when they first commenced operations.

Please note that companies are not considered dormant if they have ceased business operations but still own shares, fixed deposits, real properties, and other similar assets or investments.

Members may view the [LHDNM's clarification](#) at the website of the Institute.

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