

e-CTIM TECH-DT 16/2017

17 February 2017

TO ALL MEMBERS

TECHNICAL

Direct Taxation

[Income Tax \(Exemption\) Order 2017 \[P.U. \(A\) 52/2017\] for Religious Institution or Organization](#)

The above [Order](#) was gazetted on 15 February 2017 and is in connection with the income of religious institutions as announced in [Ministry of Finance's \(MOF\) Media Release](#) dated 10 January 2017 (as reported in our [e-CTIM TECH-DT 2-2017](#) dated 16 January 2017).

This [Order](#) is effective from the year of assessment 2017.

Exemption

This [Order](#) exempts a religious institution or organization in the basis period for a year of assessment from the payment of tax in respect of gross income derived from all sources and from furnishing a return under [section 77 of the Income Tax Act \(ITA\) 1967](#).

As stated in paragraph 2(2) of the Order, for the purpose of this exemption, "a religious institution or organization" means a religious institution or organization –

- (a) established in Malaysia exclusively for the purpose of religious worship or the advancement of religion and is not operated or conducted primarily for profit; and
- (b) registered with the Registrar of Societies Malaysia or under any written law governing such institution or organization.

Members may read the Order at the official website of the [Attorney-General's Chambers](#).

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