

**TECHNICAL**

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**Direct Taxation**

**[LHDNM FEEDBACK ON TAX IMPLICATIONS RELATED TO IMPLEMENTATION OF IC INTERPRETATION 12: SERVICE CONCESSION ARRANGEMENTS](#)**

Reference is made to the Joint Tax Working Group on Malaysian Financial Reporting Standards's (JTWG-MFRS) [Discussion Paper dated 28 June 2013 on Tax Implications related to Implementation of IC Interpretation 12: Service Concession Arrangements](#) which had been submitted and presented by the JTWG-MFRS to the Ministry of Finance and the Inland Revenue Board of Malaysia (LHDNM).

The LHDNM has recently clarified that the tax treatment in relation to service concession arrangements will be considered by the LHDNM on a case to case basis as there are variations of fact and structure in each service concession arrangement. The LHDNM will inform the Institute if there are any developments on this matter in the future.

Members may read the [LHDNM's email dated 4 June 2018](#) and the [JTWG-MFRS's Discussion Paper](#) in full on the website of the Institute.

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