

TECHNICAL

Direct Taxation

[LHDNM – Public Ruling No. 12/2019 – Tax Treatment of Foreign Exchange Gains and Losses](#)

The Inland Revenue Board of Malaysia (“LHDNM”) has uploaded the [Public Ruling \(PR\) No. 12/2019 on Tax Treatment of Foreign Exchange Gains and Losses](#) dated 13 December 2019 on its website.

The objective of this PR is to explain the tax treatment for businesses in Malaysia in respect of foreign exchange gains and losses, which arise from cross border transactions denominated in foreign currency.

This PR should be read together with the [Guidelines on Tax Treatment Related to the Implementation of MFRS 121 \(or Other Similar Standards\) \(Revised\) dated 16 May 2019](#) (as reported in our [e-CTIM TECH-DT 39/2019](#)) which can be downloaded from LHDNM’s official portal.

Members may read the above PR in full at the websites of the [Institute](#) and the [LHDNM](#).

You may write to the Institute at technical@ctim.org.my or secretariat@ctim.org.my in respect of any suggestions, concern or comments you may have on the above [PR](#) so that we may raise them to the LHDNM.

Disclaimer

This document is meant for the members of the Chartered Tax Institute of Malaysia (CTIM) only. CTIM has taken all reasonable care in the preparation and compilation of the information contained in this e-CTIM. CTIM herein expressly disclaims all and any liability or responsibility to any person(s) for any errors or omissions in reliance whether wholly or partially, upon the whole or any part of this e-CTIM.