

TECHNICAL

Direct Taxation

[PUBLIC RULING NO. 1/2019 ON PROFESSIONAL INDEMNITY INSURANCE](#)

The Inland Revenue Board of Malaysia (“LHDNM”) has uploaded the Public Ruling (“PR”) No. 1/2019 on Professional Indemnity Insurance (“PII”) dated 18 February 2019 on its website.

This PR is the fourth edition and replaces the [PR No. 8/2017](#) dated 19 December 2017 (as reported in our [e-CTIM TECH-DT 9/2018](#) dated 30 January 2018). The updates and amendments can be found on page 8 of the PR No.1/2019.

The objective of this PR is to explain the deductibility of premium paid for a PII policy and the tax treatment on insurance proceeds received and compensation paid in relation to a PII policy.

Members may read the PR in full on 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 [PR No. 1/2019](#) so that we may raise them to the LHDNM.

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