

TECHNICAL

Direct Taxation

**[INCOME TAX \(EXEMPTION\) \(NO.9\) ORDER 2019 \[P.U. \(A\) 226/2019\]](#)**

This Exemption [Order](#) was gazetted on 23 August 2019. It provides exemption for women returning to the workforce after a career break from the payment of income tax in respect of the gross income derived from an employment up to a maximum of 12 consecutive months. This exemption was announced at the Malaysian Budget 2018 on 27 October 2017. This Order has effect from the year of assessment **2018 until the year of assessment 2020**.

The provisions of the Order are summarized below.

Subparagraph	Summary
<b>Approved Individual under paragraph 2</b>	
(1)	An approved individual referred to in this Order is a woman- <ul style="list-style-type: none"> <li>(a) who is a citizen of Malaysia;</li> <li>(b) who is residing in Malaysia;</li> <li>(c) who has ceased employment and has not derived any employment income for a continuous period of at least <b>24 months</b> prior to or as at 27 October 2017;</li> <li>(d) who has at least <b>3 years</b> full time employment experience prior to the cessation of employment referred to in subsubparagraph (c);</li> <li>(e) who has not exceeded the age of <b>58 years</b> on the date the application referred to in subparagraph 3(4) is made;</li> <li>(f) who has signed a full-time employment contract in Malaysia with a qualifying employer for a period of at least <b>24 months</b>;</li> <li>(g) who has worked for at least <b>12 consecutive months</b> from the employment contract period referred to in subsubparagraph (f) with the same qualifying employer and the period of that employment is between <b>27 October 2017 until 31 December 2020</b>;</li> <li>(h) whose gross income from an employment contract referred to in subsubparagraph (f) is at least <b>RM5,000.00 a month</b>; and</li> <li>(i) whose application under subparagraph 3(4) has been approved.</li> </ul>
(2)	Meanings of words – “ <i>ceased employment</i> ” and “ <i>qualifying employer</i> ”
<b>Exemption under paragraph 3</b>	
(1)	The Minister exempts an approved individual in the basis period for a year of assessment from the payment of income tax in respect of the gross

	income derived from an employment.
(2)	The exemption referred to in subparagraph (1) shall be for a period not exceeding <b>12 consecutive months</b> .
(3)	The period referred to in subparagraph (2) commences from the basis period of a year of assessment when an option is made by an approved individual and the option shall be made in the year of assessment or the following year of assessment in which the approved individual commences her employment as referred to in subsubparagraph (2)(1)(g).
(4)	An application for exemption under this Order shall be made to the Minister through <b>Talent Corporation Malaysia Berhad</b> on or after <b>1 January 2018</b> but not later than <b>31 December 2019</b> .
(5)	An exemption granted under this Order is subject to the approved individual complying with all the conditions imposed by the Minister in relation to the exemption.
(6)	Nothing in subparagraph (1) shall absolve or be deemed to have absolved an approved individual from complying with any of the requirements to submit any return or statement of accounts or to furnish any other information under the Act.
(7)	For the purpose of this paragraph, "Talent Corporation Malaysia Berhad" means a company limited by guarantee incorporated under the <a href="#">Company Act 2016 [Act777]</a> with its registration number of 919577-H and is residing in Malaysia.

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

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