

**TECHNICAL**

**Direct Taxation**

**RECENT GAZETTED ORDERS AND RULES**

No.	P.U. (A)	Title	Date Gazetted	Remarks
<b>Double Taxation Agreement between Malaysia and Cambodia</b>				
1.	<a href="#">377/2019</a>	Double Taxation Relief (The Government of The Kingdom of Cambodia) Order 2019	30 Dec 2019	This Order provides relief from double taxation in relation to Malaysian tax and Cambodian tax. The Order came into operation on 1 Jan 2020.
<b>Income Tax Act 1967</b>				
2.	<a href="#">363/2019</a>	Income Tax (Exemption) (No.13) 2005 (Revocation) Order 2019	24 Dec 2019	<p>This Order revokes the Income Tax (Exemption) (No.13) Order 2005 [P.U. (A) 102/2005]* with effect from 1 Jan 2020. (Refer to our <a href="#">e-CTIM TECH-DT 67/2019</a>).</p> <p>* Under P.U. (A) 102/2005, a non-resident company is exempted from payment of income tax in respect of income received from the approved MSC status company as follows:</p> <ul style="list-style-type: none"> <li>a) payment for technical advice or technical service;</li> <li>b) licensing fees in relation to technology development; and</li> <li>c) interest on loans for technology development.</li> </ul>
3.	<a href="#">387/2019</a>	Income Tax (Deduction from Remuneration) (Amendment) Rules 2019	30 Dec 2019	These Rules amend Table 1 in para 4(1) of the Schedule in the Income Tax (Deduction from Remuneration) Rules 1994 [P.U. (A) 507/1994] with effect from 1 Jan 2020.
4.	<a href="#">398/2019</a>	Income Tax (Deduction for Expenditure Incurred for Provision of Approved Internship Programme) Rules 2019	31 Dec 2019	<p>These Rules are in respect of proposals announced under the 2015, 2017, 2019 and 2020 Budgets.</p> <p>These Rules apply to a qualified person ("QP") who conducts or has conducted –</p>

				<p>a) an approved internship programme ("AIP") in YA 2015 until YA 2016 for a student pursuing a diploma programme in a higher educational institution and a student pursuing a qualified course being a vocational programme (minimum Malaysian Skills Certificate Level 4); and</p> <p>b) an AIP for a student in YA 2017 until YA 2021. (Rule 2)</p> <p>The amount of deduction allowed shall be equivalent to a double amount of the following expenses incurred by the QP during a basis period for a YA for conducting an AIP:</p> <p>a) the internship monthly allowance of not less than RM500 paid to the students;</p> <p>b) the expenditure incurred for the provision of training for the students; and</p> <p>c) the expenditure incurred on meal, travelling and accommodation for the students during the internship programme.</p> <p>The total amount of expenses under (b) and (c) which is allowed for each student shall not exceed RM5,000 for a YA. (Rule 4)</p>
5.	<a href="#">399/2019</a>	Income Tax (Exemption) (No. 3) 2014 (Amendment) Order 2019	31 Dec 2019	<p>Further to the proposal announced in the 2020 Budget Speech – Appendix 26, the <a href="#">Income Tax (Exemption) (No.3) Order 2014 [P.U. (A) 167/2014]</a> (refer to our <a href="#">e-CTIM TECH-DT 47/2014</a>) on income tax exemption granted to an angel investor, is amended in para 5(a)(ii) by substituting for the words "31 Dec 2020" [per the <a href="#">P.U. (A) 411/2017</a>] the words "31 Dec 2023."</p>
6.	<a href="#">414/2019</a>	Income Tax (Exemption) (No. 8) (Amendment) Order 2019	31 Dec 2019	<p>Further to the proposal announced under the 2020 Budget Speech - Appendix 30, the <a href="#">Income Tax (Exemption) (No.8) Order 2019</a></p>

				<p><a href="#">[P.U.(A) 205/2019]</a> (refer to our <a href="#">e-CTIM TECH-DT 90/2019</a>) on income tax exemption granted to an employee in respect of the value of benefit received by him as a gift from his employer (i.e. the amount of educational loan of PTPTN paid by his employer on his behalf for a period specified in the Order) in ascertaining his gross income from employment, is amended with effect from YA 2019 until YA 2021 as follows:</p> <ul style="list-style-type: none"> <li>• The tax incentive is extended until YA 2021 [(para 1(2)); and</li> <li>• The amount of educational loan of PTPTN paid by his employer on his behalf is for a period from 1 Jan 2019 to 31 Dec 2021 [para 4(2)].</li> </ul>
7.	<a href="#">415/2019</a>	Income Tax (Deduction for Payment of Educational Loan of Perbadanan Tabung Pendidikan Tinggi Nasional by Employers on Behalf of Employees) (Amendment) Rules 2019	31 Dec 2019	<p>Further to the proposal announced under the 2020 Budget Speech - Appendix 30, the <a href="#">Income Tax (Deduction for Payment of Educational Loan of Perbadanan Tabung Pendidikan Tinggi Nasional by Employers on Behalf of Employees) Rules 2019 [P.U. (A) 206/2019]</a> (refer to our <a href="#">e-CTIM TECH-DT 90/2019</a>) is amended in Rules 1, 3, 4 and 5 with effect from YA 2019 until YA 2022.</p>

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

You may write to the Institute at [technical@ctim.org.my](mailto:technical@ctim.org.my) or [secretariat@ctim.org.my](mailto:secretariat@ctim.org.my) in respect of any suggestions, concern or comments you may have on the above Orders and Rules.

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