
TECHNICAL

Direct Taxation

LHDNM TECHNICAL GUIDELINES: GUIDELINES FOR APPROVAL OF DGIR UNDER SUBSECTION 44(6) OF THE INCOME TAX ACT (ITA) 1967 DATED 30 JANUARY 2020

Further to our [e-CTIM TECH-DT 75/2019](#) dated 19 September 2019, the Inland Revenue Board of Malaysia ("LHDNM") has issued [Guidelines for Approval of Director General of Inland Revenue \("DGIR"\) under Subsection 44\(6\) of the ITA 1967 dated 30 January 2020](#) ("Guidelines") on their website.

The Guidelines replace the [Guidelines for Approval of DGIR under Subsection 44\(6\) of the ITA 1967 dated 5 September 2019](#) by amending the following paragraphs: -

- i. paragraph 3.3(i) – to include the application of the conditions of appointment and the requirement to be a registered member who has the power to vote;
- ii. paragraph 6.1(iv)(c) – responsibility to submit a list of donors who have donated RM20,000 and above (*previously RM10,000 and above*) after obtaining approval under subsection 44(6) of the ITA 1967; and
- iii. paragraph 10.3(ii) – the amount of donations and contributions under the approval of the DGIR is limited to 10% of aggregate income for individuals (*previously 7% of aggregate income for individuals*) and for companies.
(*Note: The increase to 10% of aggregate income for individuals is in accordance to the 2020 Budget announcement and has been enacted in the [Finance Act 2019](#) dated 31 December 2019.*)

A new paragraph 4.5 has been included to state that the application for approval under subsection 44(6) of the ITA 1967 will only be processed upon submission of a completed checklist (refer to "*Lampiran*" in the Guidelines) together with the relevant supporting documents.

The Guidelines have the same wording as the previous Guidelines except for the updates which we have [highlighted in yellow colour](#) for easy reference.

Members may read the Guidelines issued by the LHDNM 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 [Guidelines](#) 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.