

e-CTIM TECH-DT 49/2020
TO ALL MEMBERS

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TECHNICAL

Direct Tax

[LHDNM – Practice Note No. 3/2020 - Clarification on Determining the Gross Income from Business Sources of not more than RM50 Million of a Company or Limited Liability Partnership](#)

The Inland Revenue Board of Malaysia (“LHDNM”) has uploaded the [Practice Note No. 3/2020](#) (“PN”) dated 18 May 2020 on its [website](#).

This PN is issued pursuant to the amendment of the [Income Tax Act 1967](#) [Act 53] (ITA 1967) by the [Finance Act 2019 \[Act 823\]](#) (refer to our [e-CTIM TECH-DT 2/2020](#) dated 3 January 2020). This amendment is regarding an additional criteria applicable to a company or limited liability partnership (LLP) resident in Malaysia to be eligible for the tax treatment under paragraphs 2A and 2D, Part 1, Schedule 1 and subparagraph 19A(3), Schedule 3 of the ITA 1967.

Members may read the PN 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 [PN](#) so that we may raise them to the LHDNM.

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