

TECHNICAL

Direct Taxation

LHDNM – PUBLIC RULINGS NO. 1/2020, 2/2020, 3/2020 AND 4/2020

The following Public Rulings (PRs) have been uploaded in the website of the [Inland Revenue Board of Malaysia \(LHDNM\)](#):

Public Ruling	Title	Date of Publication	Objective	Note
No.1/2020	Tax Incentives for Bionexus Status Companies (2nd Edition)	22.5.2020	To explain the tax treatment in respect of tax incentives for a BioNexus Status Company (BNX) in Malaysia.	This PR is the 2 nd edition and replaces the PR No. 8/2018 (as reported in our e-CTIM TECH-DT 69/2018) dated 9 October 2018. A list of updates and amendments can be found in paragraph 14 on pages 34 and 35 of the PR No. 1/2020 .
No. 2/2020	Tax Treatment of Stock In Trade Part I - Valuation of Stock (2nd Edition)	3.6.2020	To explain the valuation of stock in trade in relation to a business carried on by a person in Malaysia.	PR No. 4/2006 (as reported in our e-MIT No. 15/2006) titled Valuation of Stock in Trade and Work in Progress Part I dated 31 May 2006 has been amended, updated, rewritten, rearranged and published in two parts as follows: a) PR No. 2/2020 titled Tax Treatment of Stock in Trade, Part I – Valuation of Stock (2 nd Edition); and
No. 3/2020	Tax Treatment of Stock In Trade Part II - Withdrawal of Stock	3.6.2020	To explain the tax treatment of withdrawal of stock in trade in ascertaining the adjusted income in relation to a business for the basis period for a year of assessment carried on by a person in Malaysia.	

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				b) PR No. 3/2020 titled Tax Treatment of Stock in Trade, Part II – Withdrawal of Stock. Both PRs should be read together.
No. 4/2020	Tax Treatment of any Sum Received and a Debt Owed that Arises in Respect of Services to be Rendered	16.6.2020	To explain where in the relevant period - a) any sum received by a person, notwithstanding that no debt is owing to the person; and b) a debt is owing to a person that arises in respect of services to be rendered is to be treated as gross income of the person from a business for the relevant period.	

Members may view the above PRs 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 PRs so that we may raise them to the LHDNM.

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