
TECHNICAL

Direct Tax

LHDNM Updates – Compliance Audit Framework 2020 and FAQs

1. [Compliance Audit Framework 2020](#)

The Inland Revenue Board of Malaysia (“LHDNM”) has uploaded a [Compliance Audit Framework 2020](#) dated 15 June 2020 on its website. This Compliance Audit Framework is effective from 15 June 2020 and is available in Bahasa Malaysia only.

The objective of the Compliance Audit Framework is to provide clarification on compliance audit procedures for **institutions, organizations, funds, religious authorities, bodies, public universities or companies limited by guarantee which operate houses of worship that have been granted approval under Sections 44(6), 44(6B), 44(11D) of the Income Tax Act 1967 and P.U. (A) 139/2020** (refer to our [e-CTIM TECH-DT 42/2020](#) dated 9 June 2020). In addition, it also aims to ensure that compliance audits are conducted fairly, transparently, uniformly and equitably.

Members may read the Compliance Audit Framework in full at the websites of the [Institute](#) and the [LHDNM](#).

2. [FAQ on Special Deduction for Corporate Taxpayers and Other Taxpayers on Rental Reduction offered to SME Tenants \(amended on 15 June 2020\)](#)

The LHDNM has uploaded [frequently asked questions \(“FAQ”\)](#) amended on 15 June 2020 on special deduction for corporate taxpayers and other taxpayers on rental reduction offered to small and medium enterprise (“SME”) tenants on its [website](#). This FAQ supersedes the earlier [FAQ updated on 28 April 2020](#) (refer to our [e-CTIM TECH-DT 36/2020](#) dated 6 May 2020). The amendments are [highlighted in colour](#) for easy reference.

Members may read the amended FAQ in full on the websites of the [Institute](#) and the [LHDNM](#).

3. [FAQ on International Tax Issues due to COVID-19 Travel Restrictions \(updated on 12 August 2020\)](#)

The LHDNM has issued FAQ updated on 12 August 2020 on International Tax Issues due to COVID-19 Travel Restrictions on its [website](#).

The above FAQ supersedes the earlier FAQs issued by the LHDNM as follows:

- [FAQ](#) issued in May 2020 (refer to our [e-CTIM TECH-DT 40/2020](#) dated 18 May 2020); and
- [FAQ](#) issued in July 2020 ([changes are highlighted in colour](#)).

The updates are [highlighted in colour](#) in the FAQ dated 12 August 2020 for easy reference.

Members may read the updated FAQ 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 above Compliance Audit Framework and FAQs so that we may raise them to the LHDNM.

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