

**TECHNICAL**

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**Direct Tax**

**LHDNM OPERATIONAL GUIDELINES – GPHDN 1/2020, GPHDN 2/2020 AND LHDNM’S CLARIFICATION ON SYSTEM UPDATE ON REVISION OF TAX ESTIMATE (CP204) IN 3RD MONTH INSTALMENT**

**1. [LHDNM OPERATIONAL GUIDELINES – GUIDELINES ON PROCEDURES ON SUBMISSION OF AMENDED RETURN FORM \(GPHDN 1/2020\)](#)**

The Inland Revenue Board of Malaysia (“LHDNM”) has uploaded the [Guidelines on Procedures on Submission of Amended Return Form \(GPHDN 1/2020\)](#) (“GPHDN 1/2020 Guidelines”) dated 6 March 2020 on their website.

The GPHDN 1/2020 Guidelines replace the [Operational Guidelines No. 4/2019 \(GPHDN 4/2019\)](#) dated 30 August 2019 (as reported in our [e-CTIM TECH-DT 94/2019](#) dated 27 November 2019).

We have highlighted in yellow the relevant changes made by the LHDNM in the [GPHDN 1/2020 Guidelines](#) for easy reference.

Members may read the GPHDN 1/2020 Guidelines in full on the websites of the [Institute](#) and the [LHDNM](#).

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 GPHDN 1/2020 Guidelines so that we may raise them to the LHDNM.

**2. [LHDNM OPERATIONAL GUIDELINES – GUIDELINES ON REVISION OF TAX ESTIMATE \(CP204\) IN THE 3RD MONTH INSTALMENT IN THE CALENDAR YEAR 2020 AND DEFERMENT OF PAYMENT OF TAX ESTIMATE \(CP204 AND CP500\) UNDER THE ESP 2020 \(GPHDN 2/2020\)](#)**

Further to our [e-CTIM TECH-DT 38/2020](#) dated 15 May 2020, the LHDNM has uploaded the [Guidelines on Revision of Tax Estimate \(CP204\) in the 3rd Month Instalment in the Calendar Year 2020 and Deferral of Payment of Tax Estimate \(CP204 and CP500\) under the Economic Stimulus Package \(“ESP”\) 2020 \(GPHDN 2/2020\)](#) (“GPHDN 2/2020 Guidelines”) dated 12 May 2020 on their website. The GPHDN 2/2020 Guidelines are available in Bahasa Malaysia only.

According to the GPHDN 2/2020 Guidelines, the Government has taken steps under the ESP 2020 to allow the following:

- Revision of tax estimate (CP204) in the 3<sup>rd</sup> month instalment that falls in the calendar year 2020 to all companies / limited liability partnerships (“LLPs”) / co-operative societies / trust bodies;
- Deferment of payment of tax estimate (CP204) for a 6 months period beginning from 1 April 2020 until 30 September 2020 to resident companies / LLPs / co-operative societies / trust bodies that are related to the tourism industry **(Note)**; and
- Deferment of payment of tax estimate for a 3 months period beginning from 1 April 2020 until 30 June 2020 to:
  - i. Resident company with small and medium enterprise (“SME”) status (CP204); and
  - ii. Taxpayer other than resident company (CP500).

**Note:**

Subsequent to the issuance of the GPHDN 2/2020 Guidelines, the period for deferment of the CP204 payment has been revised to **9 months beginning 1 April 2020 until 31 December 2020** for companies related to the tourism industry (including those with SME status) as mentioned in item D5 on page 7 of the [LHDNM's updated FAQ on tax matters during the Movement Control Order and the Conditional Movement Control Order Period dated 10 June 2020](#) (see our [e-CTIM TECH-DT 43/2020](#)). Members may also refer to page 3 of the [proposed tax measures](#) in relation to the Short-Term Economic Recovery Plan (PENJANA) which was announced on 5 June 2020 (see our [e-CTIM TECH-DT 58/2020](#)).

The purpose of the GPHDN 2/2020 Guidelines is to explain the implementation of the above-mentioned revision of the tax estimate (CP204) in the 3<sup>rd</sup> month instalment that falls in the calendar year 2020 and deferment of payment of tax estimate (CP204 and CP500).

Members may read the GPHDN 2/2020 Guidelines in full on the websites of the [Institute](#) and the [LHDNM](#).

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 GPHDN 2/2020 Guidelines so that we may raise them to the LHDNM.

### **3. CLARIFICATION OBTAINED FROM LHDNM ON SYSTEM UPDATE ON REVISION OF TAX ESTIMATE (CP204) IN 3RD MONTH INSTALMENT**

The Institute has sought clarification in its [letter dated 30 July 2020](#) to the LHDNM on the system update on the revision of the tax estimate (CP204) in the 3<sup>rd</sup> month instalment. The LHDNM has provided its response via [email dated 11 August 2020](#) to the Institute's letter.

Members may read the [Institute's letter dated 30 July 2020](#) and the [LHDNM's email dated 11 August 2020](#) in full at the Institute's website.

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