
TECHNICAL

Direct Taxation

LHDNM MEDIA RELEASE: CENTRALIZATION AND DECENTRALIZATION OF TAXPAYER FILES OF COMPANIES AND NON-COMPANIES FOR CERTAIN CATEGORIES

The Inland Revenue Board of Malaysia (LHDNM) has uploaded a [Media Release](#) (available only in Bahasa Malaysia) dated 13 January 2021 on its website to announce that with effect from 1 January 2021, the LHDNM has implemented centralization and decentralization of taxpayer files for certain categories in line with the government's policy on tax treatment for Small and Medium Enterprises (SME) and to meet the requirements of the [LHDNM Transfer Pricing Guidelines 2012](#). It is also undertaken to ensure that the taxpayer file management is more organized, efficient and always updated based on current needs.

The criteria of taxpayer files involved in this centralization and decentralization process are as follows:

No.	Criteria	Action
1.	Taxpayer files of companies in Peninsular Malaysia with an Actual Total Revenue (Turnover / Sales, Other business income, Other income and Non-taxable Profit) of at least RM50 million per year.	<ul style="list-style-type: none">• Centralization of the said taxpayer files to the Large Taxpayer Branch (CPCB).• The centralization will also involve related subsidiary company files.
2.	Taxpayer files of companies listed on Bursa Malaysia and Federal Government Linked Companies from all LHDNM Branches in Peninsular Malaysia.	<ul style="list-style-type: none">• Centralization of the said taxpayer files to the CPCB.• The centralization will also involve related subsidiary company files.
3.	Taxpayer files of companies that have transactions with related companies outside Malaysia according to certain thresholds.	<ul style="list-style-type: none">• Centralization of the said taxpayer files to the Multinational Tax Branch (CCM).
4.	Taxpayer files of companies related to the downstream / upstream petroleum industry, insurance / takaful and financial activities (excluding financial institutions headquartered in Sabah and Sarawak).	<ul style="list-style-type: none">• Centralization of the said taxpayer files to the Special Industry Branch (CIK).
5.	Taxpayer files of individuals (OG and SG) including High Profile Individuals (IBT) from the CPCB.	<ul style="list-style-type: none">• Decentralization of the said taxpayer files to all LHDNM Main Branches based on the address of business premises or

		correspondence address in the LHDNM's records.
6.	Taxpayer files using postcode 47100 to 47190 (Kinrara and Puchong) which is currently managed by the LHDNM Petaling Jaya Branch.	<ul style="list-style-type: none">Decentralization of the said taxpayer files to the LHDNM Bangi Branch, Selangor.

The taxpayers involved in the above centralization and decentralization process will be notified in stages via email or letter (for taxpayers who do not have an email). The notification notice can also be checked through the [MyTax](#) application.

Any inquiries and related feedback can be submitted to the LHDNM as follows:

- a) Hasil Care Line ("HCL") at 03-8911 1000 or 603-8911 1100 (overseas)
- b) HASiL Live Chat
- c) Feedback Form on LHDNM's official portal at the link:
<https://maklumbalaspelanggan.hasil.gov.my/MaklumBalas/ms-my/>

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

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