

**TECHNICAL - DIRECT TAXATION**

e-CTIM TECH-DT 44/2021

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**LHDNM TECHNICAL GUIDELINES – GUIDELINES FOR APPLICATION FOR INCOME TAX EXEMPTION FOR RELIGIOUS INSTITUTIONS/ ORGANISATIONS THAT QUALIFY UNDER P.U. (A) 139/2020**

Guidelines (Available in Bahasa Malaysia only)	Remarks (Please access the Guidelines for the full details)
<p><b><i>Guidelines for Application for Income Tax Exemption for Religious Institutions/ Organisations that qualify under P.U. (A) 139/2020</i></b></p> <p>(25 March 2021)</p>	<p>Religious institutions/ organisations that qualify under the P.U. (A) 139/2020 are exempted from payment of tax in respect of gross income derived from all sources with effect from the year of assessment 2020 subject to all the conditions imposed by the Minister. According to paragraph 3(2) of the P.U. (A) 139/2020, an application for the said exemption is required to be submitted to the Director General of Inland Revenue (“DGIR”) on or after 1 January 2020.</p> <p>The Inland Revenue Board of Malaysia (“LHDNM”) has issued the <i>Guidelines for Application for Income Tax Exemption for Religious Institutions/ Organisations that qualify under P.U. (A) 139/2020</i> dated 25 March 2021 which explain the meaning of religious institutions/ organisations which qualify and the procedure for applying to the DGIR for the tax exemption under the P.U. (A) 139/2020. The Guidelines also explain the following:</p> <ul style="list-style-type: none"> <li>• Criteria and eligibility requirements for religious institutions/ organisations which qualify;</li> <li>• Consequences of violation of the conditions of the approval by religious institutions/ organisations which qualify;</li> <li>• Duration of approval, extension and appeal of application;</li> <li>• Conditions of approval during the approval period; and</li> <li>• Non-application.</li> </ul> <p>A checklist for the application for approval under P.U. (A) 139/2020 is attached to the Guidelines.</p>

**References:**

- 1 - [Guidelines for Application for Income Tax Exemption for Religious Institutions/ Organisations that qualify under P.U. \(A\) 139/2020](#) dated 25 March 2021; and
- 2 - [P.U. \(A\) 139/2020](#).

You may write to the Institute at [technical@ctim.org.my](mailto:technical@ctim.org.my) in respect of any suggestions, concern or comments you may have on the above Guidelines.

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