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TO ALL MEMBERS

TECHNICAL

IRB Announcement - Form CP58 [2011] Prescribed for the Purpose of the New Section 83A, Income Tax Act, (ITA) 1967.

Under the [2012 Budget, a new S.83A \[Clause 16, Finance \(No.2\) Bill 2011\]](#) was proposed, with regard to a company's "*Duty to furnish particulars of payment made to an agent, etc.*", using a form prescribed by the Director General of Inland Revenue.

The Inland Revenue Board (IRB) has made an announcement on 23 December 2011 stating that the Form CP58 [2011] has been prescribed for purposes of Section 83A ITA, 1967. It will be distributed once the Finance Act (No.2) Bill 2011 has been gazetted.

The information to be provided in the form includes the following:

- 1) Payer's information
- 2) Recipient's information (resident / non-resident)
- 3) Particulars of Incentive Payment
 - a) Monetary
 - b) Non-monetary

The deadline for providing the prescribed form to the agent, dealer or distributor is not later than the 31st of March in the year following the relevant year. However, for payments made in the period **1 January 2011 till 31 December 2011, only**, the payer company has been granted an **extension of time** until **31 May 2012** to complete Form CP58 [2011]

Notwithstanding the exemption, recipients of the incentive payments are required to report the receipt of the incentives even though they have not received a copy of Form CP58 [2011] from the payer company.

In connection with this announcement, CTIM would be pleased if members could also forward their suggestions, comments and feedback on the new Section 83A to the Institute. Members may do so by writing to kslim@ctim.org.my or kim@ctim.org.my, or faxing to 03-21628990.

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