

CTIM No.169/2012

4 December 2012

TO ALL MEMBERS

TECHNICAL -- Direct Tax

Courtesy Visit to IRB – Key issues discussed

Representatives of the Chartered Tax Institute of Malaysia, led by the President, Mr SM Thanneermalai, made a courtesy call on Y.Bhg. Dato Mohd Sait bin Ahmad, Deputy Chief Executive Officer/ Deputy Director General of Inland Revenue (Tax Operations), at Hasil Tower, Cyberjaya on 30 November 2012. Heads of the key Departments, or their representatives, of the Inland Revenue Board (IRB) were also present.

CTIM is pleased to inform members of the outcome of several of the discussion points, based on our understanding:

- 1) IRB has agreed to CTIM's proposal to continue the *CTIM-IRB Roadshow* in February and March 2013.
- 2) CTIM sought to understand the basis of implementation of the provisions of the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 (AMLA) vis-a-vis the provisions of the Income Tax Act 1967, and achieved the following:
 - The IRB gave the assurance that they will invoke the AMLA provisions if they have sufficient evidence that the taxpayer is involved in money laundering activities. The mere violation of Sections 112, 113 & 114 of the Income Tax Act 1967 will not be reason for the cases to be pursued as AMLA cases.
 - IRB proposed to have a special dialogue to discuss the issues of AMLA investigation, criminal investigation, civil investigation and tax audits. A suitable date for such a dialogue with the IRB will be arranged.
 - The IRB informed that the current investigation framework, issued in 2007, will be replaced by a new one which will take into account new developments. CTIM intends to provide input and feedback, before the new framework is final.
- 3) The IRB confirmed that the 2013 filing programme (including the grace period for filing) will be the same as last year's.
- 4) The IRB informed that the review of the Stamp Act 1949 has been completed and they have submitted proposals to the Ministry of Finance. Both the parties will meet on 5 December 2012 on the matter.

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