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TO ALL MEMBERS

MISCELLANEOUS

President's Chinese New Year message

Happy Lunar New Year to all our members celebrating Chinese New year. This is the year of the Dragon which is a symbol of good fortune and a sign of intense power.

I believe that despite being inundated with the gloomy forecasts about the global economy in 2012, if we have a positive outlook and fearlessly face the next 12 months, the year of the dragon will only bring our Institute and each of us individually opportunities to grow and prosper.

Why am I positive? The answer is simple and it is staring in our faces. The Inland Revenue Board (IRB) in 2011 has collected income taxes of approximately RM 108 billion which is RM22billion above the original forecast. My guess is that the increase came from the addition of new taxpayers and the existing taxpayers paying more taxes. Automatically this should signal opportunities for our members who should be adding the new taxpayers to their client lists and providing new value added services to their existing clients.

More and more of our members are transforming themselves from merely providing compliance services and are moving into the advisory space where value added services can be provided at full recovery rates or possibly at a premium since such work is tailored to the specific needs of each client e.g. providing tax planning services to reduce either the overall impact of tax on the business enterprise or on specific transactions eg restructuring exercises or sale and purchases of assets etc as well as assisting clients prepare documentation to defend particular transactions in any future tax audits by the IRB... effectively nearly every transaction that has an impact on the Balance Sheet and P&L of an enterprise will provide tax planning, tax minimisation or tax defence opportunities. This is equally applicable to members working in industry who need to also manage the taxes in their organizations. Therefore even if we were to assume the Malaysian economy will turn downwards, there are still many opportunities for our members to grow their businesses.

This is where I plan to steer CTIM towards providing you the tools to enable you to provide new services and proactive advice to your clients and organisations you work for. They are:

1. increased number of e CTIM e mails providing up to date technical information
2. keeping you abreast with the latest developments on any upcoming changes to the existing legislation or practices
3. bring you up to date with the latest case law developments
4. increase the number of CPD events across the country with a wider range of topics and speakers
5. expanding the coverage of tax topics with discussions , commentaries and analysis of current and future thought leadership issues through our recently revamped Malaysian Tax Guardian
6. improving our website with new links to relevant portals to assist you find useful information.

Let us be positive and look forward to grasping the opportunities that will come your way. If the IRB has substantially increased its tax collections in 2011 this can only be good news to all of us as it will translate into new opportunities for our members to provide more services to your clients and your employers.

Good luck ! and may the year of the water dragon ride through 2012 fearlessly.

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