

**TECHNICAL**

---

**Direct Taxation**

**PETROLEUM (INCOME TAX) (DEDUCTION FOR PARTICIPATION IN AN APPROVED CAREER FAIR) RULES 2013 [P.U.)A) 14/2013]**

The above Rules were gazetted on 18 January 2013 and are effective from the year of assessment (YA) 2012 until YA 2016. The following are highlights of the rules:

**Double Deduction and conditions for eligibility**

- In ascertaining the adjusted income from a business for a basis period for a year of assessment of a chargeable person (CP) who is resident in Malaysia, a deduction is allowed for expenses incurred on the business by the CP, “primarily and principally for the purpose of participating in an approved career fair” [Rule 3(1)], in addition to any deduction allowed under section 15 of the Petroleum (Income Tax) Act 1967 (PITA). [Rule 3(3)]
- An approved career fair means a career fair held outside Malaysia organized or endorsed by Talent Corporation Malaysia Berhad (TCMB) and approved by the Minister.
- The claimant must produce a letter from TCMB confirming that the career fair is an approved career fair. [subrule 3(7)]

**Types of expenses [subrule 3(2)]**

The following are expenses which are allowed to be deducted:

- a) Travelling expenses incurred in travelling to another country for the purpose of participating in an approved career fair by the chargeable person or his/her representatives, restricted to a maximum of 3 persons (including the CP) and subject to the following limitations:
  - Air fare restricted to economy class;
  - Accommodation charges limited to a maximum of RM300 per day;
  - A maximum of RM150 per day for sustenance;for the period between the CP or his representative’s departure from Malaysia and his return.
- b) expenses on marketing and promotional material such as banners, prints and pamphlets containing information on the career fair;
- c) payments to the organizer of the fair;
- d) expenses directly incurred for participating in the career fair, other than those listed above.

**Expenses not allowed**

- No deduction is allowed for any expense specified in subsection 18(1) of the PITA and incurred by a CP having a place of business in the country where such expenses were incurred and who is subject to tax in that country. [subrule 3(4)]
- Where the Director General of Inland Revenue (DGIR) is of the opinion that the amount of expenses incurred (and claimed) exceeds the amount which would reasonably be expected to be incurred in the ordinary course of business, the DGIR may disallow the amount of the excess as a deduction under these Rules. [subrule 3(5)]

**Overlapping periods**

- Where the expense is claimed for a period which overlaps two basis periods, the period common to both periods is deemed to fall into the first basis period only. [subrule 3(6)]

The full text of the above Rules can be found at the [Attorney-General's Chambers](#) website.

**Disclaimer**

This document is only meant for members of the Chartered Tax Institute of Malaysia (CTIM) only. Although the CTIM has taken all reasonable care in the preparation and compilation of the information contained in the CTIM e-circular, the Institute / each party providing the material displayed herein expressly disclaim all and any liability or responsibility to any person(s) for any errors or omissions in the contents of the CTIM e-circular or for anything done or omitted to be done by any such person in reliance whether wholly or partially, upon the whole or any part of the contents of the CTIM e-circular.