

TO ALL MEMBERS

TECHNICAL

Pre-filling of Income Tax Returns, in Relation to e-filing

Further to the DESIRE Meeting held on 30 September 2011, the Inland Revenue Board (IRB) has provided the information format for participation in the pre-filling of Return Forms. The pre-filling is only available for individual taxpayers who are under employment and who e-file their tax returns. In this connection, CTIM has made some clarifications with the IRB as follows:

- It is applicable to those resident individuals (Forms B and BE applicable) and non-resident “employed” individuals (Form M applicable), who use the e-filing system in connection with the filing of their annual income tax returns.
- Participation in e-filing is voluntary. The e-filing tax return forms will be pre-filled only if the participating employer has provided the information (such as total income, monthly tax deductions, EPF deductions, insurance premiums paid, and zakat) for the relevant year, in respect of the employee. The employer will not be penalised if he chooses not to participate in the pre-filling programme, although his employee wishes to participate in the programme.
- It is also applicable to employees who are not taxable, or who do not have income tax reference numbers.
- Participating employers have to write to the Tax Operations Department, IRB to indicate their intention to participate. The IRB will then communicate with the employer regarding the particulars to be forwarded, and the format to be used. Such information, on compact discs, must be forwarded to the IRB at bantuan.praisi@hasil.gov.my not later than 15 February 2012.
- Although participating employers have provided the information required for purposes of e-filing, they are still required to submit the relevant Employer’s Return (Form E). However, the information for pre-filing is acceptable as information for Form CP8D.
- All the pre-filled information may be edited by the employee/taxpayer. Hence, the question of a “penalty” on incorrect “prefilled” information does not arise. It is the responsibility of the taxpayer to check the accuracy of the information in the return form before completing the e-filing process (signing and sending) of the relevant return form.
- In the case of an individual who has participated in the “pre-filling” programme, and has chosen to have a combined assessment, he/she would be required to input the “total income transferred from husband/wife” in the pre-filled form.
- Employers/taxpayers may contact the IRB at bantuan.praisi@hasil.org.my for further information / clarification on the matter.

It has been announced in the 2012 Budget that this “pre-filling” programme is to enhance tax system administration and compliance and it will be introduced from year of assessment 2012. Members may refer to Appendix 21 to the 2012 Budget Speech for information. CTIM would like to encourage members to take the opportunity to voluntarily participate in the pre-filling programme.

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