

CTIM No.42/2011

7 October 2011

TO ALL MEMBERS

TECHNICAL

Direct Tax

1. [IRB 2012 Budget Hotline](#)

The Inland Revenue Board (IRB) will be operating a 2012 Budget Hotline service on Friday, 7 October 2011, from 7.00 pm to 10.00 pm. The public may seek clarification relating to the 2012 Budget proposals using the hotline services provided. The details of the hotline service are as follows:-

<u>Date</u>	<u>Time</u>	<u>Hotline numbers</u>	
7 October 2011 (Friday)	7.00 pm – 10.00 pm	03-6201 1755	03-6201 2143
		03-6201 2131	03-6201 2148
		03-6201 2137	03-6201 2151
		03-6201 2142	03-6201 2167

2. MOF Budget 2012

The Ministry of Finance has developed an official website for the 2012 Budget at http://www.treasury.gov.my/index_bi.html. Members may view the live telecast of the 2012 Budget Speech. The 2012 Budget Speech, Economic Report 2011/2012 and the 2012 Estimated Federal Expenditure are also available for download on 7 October, 2011 from 6.00 pm.

3. [Press Release on Late Filing Penalty Under Section 112\(3\), Income Tax Act 1967](#)

The Chief Executive Officer of the Inland Revenue Board (IRB), Dato' Dr. Mohd Shukor Mahfar has announced that the directive to impose the late filing penalty under Section 112(3) based on the following structure was issued and took effect from 1 June 2011.

Submitting after the appointed date till 12 months (1 Year)	20%
Submitting after the appointed date till 24 months (2 Years)	25%
Submitting after the appointed date till 36 months (3 Years)	30%
Submitting after the appointed date exceeding 36 months (> 3 Years)	35%

Members are reminded to file the tax returns on a timely basis to avoid the heavy late filing penalty.

Members are also advised that the IRB letter dated 22 September 2011 is still relevant. Please refer to the e-CTIM No. 41-2011 dated 26 September 2011.

Members may view the announcements on the LHDNM's website at <http://www.hasil.gov.my/goindex.php?kump=6&skum=1&posi=2&unit=1&sequ=55>

4. Double Taxation Relief (The Government of the Republic of South Africa) (Amendment) Order 2011 [P.U. (A) 329/2011]

This Order seeks to amend the Double Taxation Relief (The Government of the Republic of South Africa) Order 2005 [P.U. (A) 385/2005] in respect of the article relating to "Exchange of Information".

5. Changes in Public Ruling No.3/2011 – Investment Holding Company

Please note that Paragraph 10 of the Public Ruling No.3/2011 has been amended and uploaded on to the IRB website at http://www.hasil.gov.my/pdf/pdfam/PR3_2011.pdf on 6 October 2011. Paragraph 10 relates to claiming of Industrial Building Allowances against rental income.

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