

e-CTIM No.52/2009

4 November 2009

TO ALL MEMBERS

TECHNICAL

Direct Taxation

1. MINUTES OF FILING PROGRAMME WORKING GROUP (DESIRE) MEETING No. 4/2009

- i. The Inland Revenue Board (IRB) held a meeting with the *Filing Programme Working Group (DESIRE)* on 6 October 2009. The issues discussed included, inter-alia, the following:

- a) Filing deadline of companies, co-operatives and trust bodies

In cases where the accounts are not made up for a period of 12 months to a date other than 31 December from the date of commencement of business or when there is a change of accounting date resulting in an overlapping of basis periods for 2 years of assessment, the IRB has confirmed via their letter dated 23 October 2009 that the due date for filing the tax return for the second year of assessment is 7 months following the end of the second accounting period. Examples to illustrate the filing deadlines have been included in the letter.

- b) Host-to-host interface

The professional bodies will be updated on the developments on a timely basis.

- c) Tax agents should obtain the taxpayer's signature on the hardcopy of the return which has been submitted to the IRB through e-filing.

- d) The Form CP55 covers e-filing of Form CP 204 (TAeF CP204).

Members can view the minutes and the letter at the Institute's website at

http://www.ctim.org.my/technical_techdev_direct.asp.

2. UNILATERAL ADVANCE PRICING ARRANGEMENT APPLICATION FORM (Form APA 1)

The IRB has issued the Unilateral Advance Pricing Arrangement Application Form (Form APA 1) with the relevant explanatory notes. Members may view the *Form APA 1* at the Institute's website at http://www.ctim.org.my/technical_techdev_direct.asp or the IRB's website at

<http://www.hasil.gov.my/lhdnv3e/documents/borang/11/149/Borang%20APA%201.pdf>

3. REAL PROPERTY GAINS TAX (EXEMPTION) ORDER 2009 [P.U. (A) 376]

- i. Following the 2010 Budget Proposals relating to real property gains tax, the Minister of Finance in exercising his powers conferred by subsection 9(3) of the Real Property Gains Tax Act 1976 (RPGTA) has made the Real Property Gains Tax (Exemption) Order 2009 (the Order). The Order, gazetted on 27 October 2009, will come into operation on 1 January 2010.
- ii. The Order exempts any person from the application of Schedule 5 of the RPGTA on the payment of tax on the chargeable gain (CG) arising from any disposal of assets on or after 1 January 2010, subject to the condition that the amount of CG shall be determined in accordance with the formula:

$$A/B \times C$$

where A = Tax on CG at the appropriate tax rate reduced by the Tax on CG at 5%
 B = Tax on CG at the appropriate tax rate
 C = Amount of CG
- iii. The Real Property Gains Tax (Exemption) (No. 2) Order 2007 [P.U. (A) 146/2007] is revoked.

Indirect Taxation

Reply to issues raised in the Customs-Private Sector Consultative Meeting 01/2009

The Royal Malaysian Customs (RMC) has responded to some of the operational issues raised in the Customs-Private Sector Consultative Meeting 01/2009 held on 16 October 2009 via their letter dated 16 October 2009. Members may download RMC's letter dated 16 October 2009 from the Institute's website at http://www.ctim.org.my/technical_techdev_indirect.asp

For queries or feedback on the CTIM e-circular, please email secretariat@ctim.org.my

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