

e-CTIM No.45/2009

28 September 2009

TO ALL MEMBERS

TECHNICAL

Direct Taxation

1. Information Required While Making Tax Payments

The Inland Revenue Board (IRB) has issued its first operational guidelines on “Information Required While Making Tax Payment (GPHDN 1/2009)” on 11 August 2009. The guidelines cover payment of income tax (except for payments for Schedular Tax Deductions), real property gains tax (RPGT) and withholding tax (WHT).

For payments of income tax and RPGT, the particulars required include the name and address of taxpayer, tax file reference number, year of assessment, the instalment number (where applicable) and payment code. The guidelines provide the payment code for each type of payment. Taxpayers may use payment slips (CP501 or CP207) when making payments.

WHT payments can only be made at the IRB counters and the taxpayers must complete the relevant form. Payments must be supported by invoice/payment voucher/telegraphic transfer form and each payment requires the use of a separate cheque and form.

Taxpayers are reminded that accurate and correct information on tax payments will facilitate the updating of their accounts.

Members may view the guidelines at the Institute’s website at

<http://www.ctim.org.my/PDF/Technical/GPHDN%201-2009%20Information%20required%20for%20payment%20of%20tax.pdf> or the IRB’s website at

<http://www.hasil.gov.my/lhdnv3e/documents/GarisPanduanOperasi/GPHDN%201%20of%202009.pdf>.

2. Tax Clearance Letter (SPC) Application Procedure For Companies

The IRB has issued its second operational guidelines on “Tax Clearance Letter Application Procedure For Companies” (GPHDN 2/2009) on 15 September 2009. The guidelines specify the pre-requisites for the application of SPC, i.e. updating the submission of income tax return form and submission of other related documents. Applications should be submitted to the Corporate Services Department of IRB at the Jalan Duta Headquarters or at the Companies Unit of the IRB Branch where the tax file is maintained. SPCs will only be issued upon receipt of a complete application together with full settlement of tax liability.

Members may view the guidelines at the IRB's website at <http://www.hasil.gov.my/lhdnv3e/documents/GarisPanduanOperasi/GPHDN%20%20of%202009%20-%20SPC.pdf> or the Institute's website at <http://www.ctim.org.my/PDF/Technical/GPHDN%20-2009%20Procedure%20for%20application%20of%20tax%20clearance%20letter%20for%20companies.pdf>

3. Temporary Release From Stoppage Order Under Section 104 of Income Tax Act 1967 / Section 22 of Real Property Gains Tax Act 1976

The IRB has issued its third operational guidelines on Application For Temporary Release From Stoppage Order Issued Under Section 104 of the Income Tax Act 1967 and Section 22 of the Real Property Gains Tax Act 1976 (GPHDN 3/2009) on 17 September 2009.

The guidelines lay down the procedures for taxpayers who are unable to settle their tax liability in full and are allowed to apply for a temporary release to travel abroad for a specific period. Taxpayers may make the application not less than 7 days before the date of departure at the IRB Branch where their tax file is maintained, stating the destination, purpose and period of travel. Taxpayers who face financial difficulties are required to submit their latest bank statements and cash flow statements to support their application. In the case of a bankrupt, an approval letter to leave the country must be obtained from The Insolvency Department of Malaysia.

To avoid any inconvenience, taxpayers are advised to check with the Immigration Department of Malaysia at <http://imi2.imi.gov.my/sspi/> before their date of departure to ascertain whether or not an order has been invoked to prevent him/her from leaving the country.

Members may view the guidelines at the IRB's website at <http://www.hasil.gov.my/lhdnv3e/documents/GarisPanduanOperasi/GPHDN%203%20of%202009.pdf> or at the Institute's website at <http://www.ctim.org.my/PDF/Technical/GPHDN%203-2009%20Application%20for%20Temporary%20Release%20from%20Stoppage%20Order.pdf>.

4. Pembangunan Sumber Manusia Berhad (Exemption) (No. 2) Order 2009 [P.U.(A) No.342/2009]

Under the Order, an employer classified under Part II of the First Schedule of Pembangunan Sumber Manusia Berhad Act 2001 (Act 612), i.e. a manufacturer with ten or more but less than 50 employees and with a paid-up capital of less than 2.5 million, who opts to be registered with the Human Resource Development Corporation is exempted from the payment of levy for a period of 24 months from 1 April 2009 until 31 March 2011.

EVENT SUPPORTED BY CTIM

The Malaysian Institute of Chartered Secretaries & Administrators (MAISCA) is organising its inaugural Business Leaders Meet 2009

Theme: A Singlemindedness to Win

Date : 7 October 2009

Venue : Sheraton Subang Hotel and Towers

CTIM members who register for the Conference will enjoy a preferential rate of registration fee of RM680 (RM1,180 for normal registration) for the Conference. For further information on the conference programme and registration details, please click

<http://www.ctim.org.my/pdf/events/BLM%20100909%20back.pdf>

<http://www.ctim.org.my/pdf/events/BLM%20100909%20front.pdf> or call tel 03 2282 9276 (ext 612/606/611/608) or visit <http://www.maicsa.org.my>

PUBLICATION

2010 Budget Commentary and Tax Information

Members who wish to purchase additional copies of the 2010 Budget Commentary & Tax booklet are requested to complete the order form, and return it with the appropriate remittance to the CTIM Secretariat by October 9, 2009. For the order form, kindly click on:

[http://www.ctim.org.my/cms/BB10_Order%20Form\(CTIM\).pdf](http://www.ctim.org.my/cms/BB10_Order%20Form(CTIM).pdf)

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

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