

e-CTIM No.49/2009

14 October 2009

TO ALL MEMBERS

TECHNICAL

Indirect Taxation

1. Revised List Of Taxable And Non-Taxable Services For The Purposes Of Service Tax

Further to item 2 of our **e-CTIM No.47/2009** issued on **2 October 2009**, a revised list has been issued by the Royal Malaysian Customs (RMC). The revised list has removed the taxable and non-taxable services under the category of consultancy services. Nevertheless, the RMC has stressed that the list is for general guidance and is not final and conclusive.

You may obtain further clarification/details from the RCM at 03-8882 2100 (telephone), 03-8889 5869 (fax) or e-mail cd@customs.gov.my.

Members may view the revised list at the RCM's website at <http://www.customs.gov.my/documents/Bahagian%20CD/Senarai%20Perkhidmatan%20Bercukai%20dan%20Tidak%20Bercukai.pdf> or the Institute's website at http://www.ctim.org.my/technical_techdev_indirect.asp

2. Implementation of Service Tax on Exported Taxable Services

The definition of "exported taxable services" was deleted by the Service Tax (Amendment) (No. 2) Act 2002 (Act A1182) effective from 1 January 2003. As such, all taxable services will be subjected to service tax unless specifically excluded in Schedule 2, Group G of the Service Tax Regulations 1975.

Due to the confusion in the implementing the amendment, the Hon. Finance Minister has agreed to defer the implementation date of the amendment to 1 January 2010. Following the decision, a taxable person who has not been subjected to service tax with the above amendment, service tax will be remitted for the relevant period. For a taxable person who has already been subjected to service tax based on the amendment, he will continue to be subjected to service tax on the taxable service. Any service tax imposed has to be settled and no refund is available.

3. Licensing of Restaurants Located Outside Hotel and Holding Public House Licence or Beer House Licence Under Service Tax Act 1975

The RCM has recently issued a circular to clarify that any person operating a restaurant, bar, snack, coffee house or any place which provides food, drinks or tobacco products which is located outside a hotel and holds a licence to sell liquor under Public House Licence or Beer House Licence is required to apply for service tax licence, irrespective of the turnover threshold. For those operators who had cancelled their service tax licences, they are

required to make application for the licence not later than 1 October 2009. Enforcement and monitoring operations will be carried out to ensure due compliance of the above requirements.

Members may view the circular at the RCM's website at <http://www.customs.gov.my/documents/Bahagian%20CD/Lesen%20LRA%20LRB%2011009.pdf>

CONTINUING PROFESSIONAL DEVELOPMENT

1. 2010 Post Budget Seminars

The Chartered Tax Institute of Malaysia (CTIM) is organising a series of 2010 Post Budget Seminars throughout Malaysia from 26 October till 12 November 2009. The **MUST-ATTEND** Budget Seminar provides **10 CPD points** to all participants for the purpose of applying for or renewing their tax agent's licence under Section 153, Income Tax Act 1967.

The details of the seminars are as follows:

<u>Date</u>	<u>Venue</u>
26 Oct	Holiday Villa, Subang
27 Oct	Crowne Plaza Mutiara, Kuala Lumpur
29 Oct	Royale Bintang Hotel, Seremban
28 Oct	Hyatt Regency, Kota Kinabalu
30 Oct	Riverside Majestic Hotel, Kuching
30 Oct	Renaissance Hotel, Malacca
31 Oct	Best Western Premier Seri Pacific Hotel, Kuala Lumpur
1 Nov	Starcity Hotel, Alor Setar
3 Nov	Tower Regency Hotel, Ipoh
5 Nov	Mutiara Hotel, Johor Bahru
5 Nov	Grand Dorsett, Labuan
6 Nov	Vistana Hotel, Kuantan
6 Nov	Sabah Hotel, Sandakan
8 Nov	Primula Beach Resort, Kuala Terengganu
9 Nov	Bayview Georgetown Hotel, Penang
9 Nov	Tanahmas Hotel, Sibu
9 Nov	New Pacific Hotel, Kota Bharu
10 Nov	Imperial Hotel, Miri
12 Nov	New World Hotel, Bintulu

For details and registration form, kindly refer to the attached brochures.

2. Evening Talk: **FRS 139 – Financial Instruments: Recognition and Measurement Unraveling the Tax Issues**

Date	: 16 November 2009
Time	: 5.00 pm - 7.00 pm
Venue	: Istana Hotel, Kuala Lumpur

Programme:

4.30 pm	Registration
5.00 pm	FRS 139 – Unraveling the Tax Issues

by:
Mr Khoo Chin Guan
Deputy President, Chartered Tax Institute of Malaysia

5.20 pm Updates and Developments of FRS 139
by:
Ms Phan Wai Kuan
Executive Director, PricewaterhouseCoopers

6.20 pm Question & Answer Session

7.00 pm End of the Programme

For details, kindly refer to the attached flyer.

KIND REMINDER FOR OUTSTANDING MEMBERSHIP SUBSCRIPTION

We regret to note from our record that the subscription for some members are still outstanding. We urge you to settle your dues as soon as possible to enjoy uninterrupted membership services. If your payment is on the way, we thank you for your support and would appreciate if you could kindly inform the Secretariat duly.

EVENT SUPPORTED BY CTIM

MICPA-BURSA MALAYSIA BUSINESS FORUM 2009

Theme: Competing in the New Global Landscape

Date : 9-10 November 2009

Venue : Shangri-La Hotel Kuala Lumpur

CTIM members who register for the Conference will enjoy a preferential rate of registration fee of RM1,400 for the two-day Forum.. For further information on the conference programme and registration details, please click <http://www.ctim.org.my/ectim/MICPA%20Brochure09%20Final.pdf>

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

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