

FINAL LEVEL ADVANCE TAXATION 1

OBJECTIVE:

To examine the application of advanced aspects of Malaysian taxation, including real property gains tax and indirect taxes.

CONTENTS:

Specialized Industry

- Petroleum industry
- Banking industry
- Insurance industry
- Sea and air transport undertaking

Leasing Companies:

- Legislation
- Meaning of 'lease'
- Leasing as a separate source of income (Regulation 2)
- Gross income of lessor
- Tax implication
- Accounting treatment
- Allocation of expenses between leasing and non-leasing business
- Cross border leasing

Co-operative societies:

- Exemption for co-operative societies Para 12, Schedule 6
- Assessability of receipts
- Special deductions

Trade association and clubs

- Definition
- Residence status
- Assessability of gross income
- Deduction test
- Income tax exemption
- Trade union
- Tax administration
- Tax treatment
- Exemption

Charitable institutions

- Legislation
- Approved institution/ organization status section 44(7B)
- Tax treatment
- IRB practice
- Tax rate

Trust

- Trust bodies, settlements and estates under administration
- Unit trust
- Property developers

Investment Incentives

- Pioneer Status:
- Investment Tax Allowance:
- Choice of Incentives: Pioneer Status or Investment Tax Allowance:
- Reinvestment Allowance
- Investment Incentives for specific industry

Real Property Gains Tax

- Principles and scope of charge
- Chargeable assets and persons
- Exemptions
- Computation of chargeable gains and allowable losses
- Tax rates
- Returns and assessments
- Payment and recovery of tax

Real Estate Investment Trust (REIT)

- Basis year
- Rental income
- Fraction of permitted expenses and special deduction for qualifying capital expenditure
- Distribution to unit holders
- Responsibility of REIT
- Exemption on RPGT
- Setting up REIT
- Exemption on stamp duty

READING LIST - ADVANCE TAXATION 1

COMPULSORY READING

1. Kasipillai, Jeyapalan (2013) **A Guide to Malaysian Taxation** (2nd Edition), McGraw Hill, Malaysia
2. Kasipillai, Jeyapalan (2013) **A Guide to Advanced Malaysian Taxation** (2nd Edition), McGraw Hill, Malaysia

REFERENCES

3. CCH Tax Editors (2014). **Malaysian Master Tax Guide. (31st Edition) CCH Asia Ltd.**
4. **2014 Budget Commentary & Tax Information** by CTIM-MIA-MICPA
5. Veerinderjeet Singh (2013). **Veerinder on Taxation** (3rd Edition). Kuala Lumpur: CCH.
6. Chin Yoong Kheong (1997). **Malaysian Taxation.**4th Edition. Kuala Lumpur. Butterworth Asia.
7. **Tax Guardian**, Journal of the Chartered Tax Institute of Malaysia