

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. Jeyapalan Kasipillai. (2015). **A Guide to Malaysian Taxation**. 3rd ed. McGraw-Hill.
2. Jeyapalan Kasipillai. (2015). **A Guide to Advanced Malaysian Taxation**. 3rd ed. McGraw-Hill.

REFERENCES

1. CCH Tax Editors. **Malaysian Master Tax Guide**. CCH Asia.
2. **Budget Commentary** & Tax Information by CTIM-MIA-MICPA
3. Veerinderjeet Singh. (2016). **Veerinder on Taxation**. 4th ed. CCH.
4. Chin Yoong Kheong. (1997). **Malaysian Taxation**. 4th ed. Kuala Lumpur. Butterworth Asia.
5. **Tax Guardian**, Journal of the Chartered Tax Institute of Malaysia