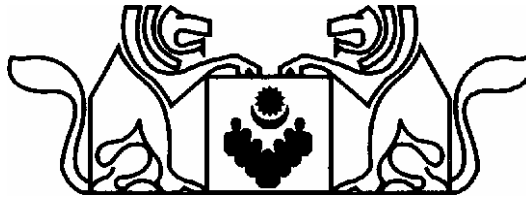




Malaysian Institute of Taxation
www.mit.org.my

Malaysian Institute *Of* Taxation

Student Guide



MISSION OF THE INSTITUTE

To enhance the prestige and status of the tax profession in Malaysia and to be the consultative authority on taxation as well as to provide leadership and direction, to enable our members to contribute meaningfully to the community and development of the nation.

IMPORTANT NOTICE TO STUDENTS

Students are advised to understand the student guide and use it as a continual source of reference. Other publications (the quarterly Tax Nasional, Rules and Regulations on Professional Conduct and Ethics and Tax Budget Commentaries) published by the institute are also useful to students to prepare for the examinations. All these books are available in the library for reference. Any important notices for students will be published in the institute's journal. Please ensure that you receive a copy of the quarterly journal and read all important notices relevant to the examination.

Communicating with the Institute

- o Quote your registration number in any communication.
- o Notify the Institute of any change of address immediately, amending and returning the journal wrapper or the subscription notice.

Annual Subscription Fee

- o Pay the annual subscription fee promptly. This is due on 1 January each year and if it is not received by the Institute by 31 March, registration is liable to cancellation.
- o State name, registration number and the purpose for which, the money is intended when sending postal orders or cheques. **DO NOT SEND CASH.** All payments must be made in Malaysian Ringgit and payable to '**MALAYSIAN INSTITUTE OF TAXATION**'.

Examination Material

Legislation

Questions involving knowledge of legislation will be based on Malaysian legislation and students are expected to have knowledge of any current changes in legislation. However, no questions on new legislation will be set until at least 6 months have lapsed since the last day of the month in which Royal Assent was given to the new legislation.

May 2005

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FOREWORD

This guide provides information for students, their employers, career advisers and teachers. It contains general information about the Institute as well as details of how to qualify as a member.

Registered students should keep their guide and refer to it on all matters concerning their preparation for membership. Notification of any changes in requirements or arrangements will be given in the Institute's quarterly journal.

The Institute's office is open from 8.45 am to 5.00 pm on Monday to Friday and 8.45 am to 12.45 pm on Saturday.

LIBRARY FACILITIES

Access

The library is open to members and registered students of Malaysian Institute of Taxation.

Library Hours

Monday - Friday 8:45 am - 5:00 pm

Saturday 8:45 am - 12:45 pm

The library is situated at the following address:

Dewan Akauntan
No. 2 & 4, Level 2
Jalan Tun Sambanthan 3
Brickfields
50470 Kuala Lumpur.

TAXATION AS A CAREER

Congratulations for your interest in taxation. Knowledge in taxation can provide the quantum leap and added value in whatever you do, either in the field of management, accounting, law, medicine or even as a tax agent. As the saying goes, there is nothing in this world as certain as death and tax. This clearly demonstrates the importance of taxation in everyone's life.

The Malaysian Institute of taxation (MIT) is the ONLY professional body in Malaysia to provide an entry level to the world of taxation. It's objective is to train and build up a pool of qualified taxation personnel as well as to foster and maintain the highest standard of professional ethics and competency among its members.

Tax is not just the application of simple rules. One has to be well versed in the legislation, have the ability to research into case law, keep in touch with the administrative/technical practices of the tax authorities, be able to express thoughts and opinions in writing as well as exhibit diplomacy and tact in order to get the right results. It is in other words, an exciting profession.

Practical training in the field of taxation will develop individuals to be planners, strategists and decision makers. Tax professionals are in demand because all organisations - whether small, medium or large conglomerates require taxation advice, whether in compliance work such as furnishing tax computations or in an advisory capacity in tax planning work. Other functions of a tax professional are:

- (i) Advising on structuring of executive remuneration packages;
- (ii) Advising on types of investment incentives provided by the government;
- (iii) Advising on restructuring and reorganisation schemes which may involve transfers of shares, real property, trading stock, fixed assets, debtors, etc.;
- (iv) Advising both local and foreign investors on the type of business structures that may be more tax efficient;
- (v) Cross border tax planning.

Tax professionals are mobile. The tax job is interesting, well paid, and one can find employment in public accounting firms, the commercial sector or even the Inland Revenue Board.

You should have no doubt if you choose to embark in the field of taxation with MIT. The designation of an Associate of Taxation Institute Incorporated (ATII) denotes the candidate with the competitive edge.

ENTRANCE REQUIREMENTS AND EXEMPTIONS

1.0 Malaysian Institute of Taxation's Professional Examination

- 1.1 The MIT Examination is held annually and comprises 3 parts or levels as outlined on page 8. The specific subjects that a student is required to write in order to qualify for membership of the Institute depend on his educational background described in Section 2.0.
- 1.2 Any registered student who has passed the examinations prescribed (unless the Council shall have granted exemptions from such examinations or parts thereof) and who has had not less than five (5) years practical experience in practice or employment relating to taxation matters approved by the Council would be eligible to be admitted as an Associate of the Institute.
- 1.3 A pass would be given for a paper passed at each part or level. The student is however required to complete an earlier part or level of the examinations before proceeding to the next part or level.

2.0 Entrance Qualifications

- 2.1 The Institute admits students with various educational backgrounds.

(a) Normal Student

- o Has attained the age of seventeen (17)
- o Has obtained principal level passes in at least two subjects (excluding Kertas Am/Pengajian Am) of the HSC/STPM examination
- o Has obtained a MCE / SPM with credits in English Language and Mathematics and an ordinary pass in Bahasa Malaysia. (The G.C.E. is deemed to be equivalent if an ordinary pass in the Bahasa Malaysia paper of the MCE/SPM examination is obtained at a supplementary sitting)

A list of other qualifications which have been recognised by the Council as equivalent to the HSC/STPM requirement is listed in Appendix 1.

(b) Degrees, Diplomas and Professional Qualifications

A range of degrees, diplomas and professional qualifications from both local and overseas institutions have been recognised by the

Institute to supersede the minimum requirements specified in (a) above. Holders of such qualifications may be eligible for exemption from certain relevant paper(s) depending on their educational backgrounds. (Refer Appendix 2 for List of Qualifications Deemed to Supersede the Minimum Entry Requirements)

(c) Full Members of Overseas Accountancy Bodies

Applicants who are not members of Malaysian Institute of Accountants and who are full members of overseas accountancy bodies which are recognised by the Institute are only required to sit for the Company & Business Law and Taxation papers (ie : Taxation I, II, III, IV and V) of the MIT examination. (Refer Appendix 3 for List of Overseas Accountancy bodies recognised).

However, full members of overseas accountancy bodies who have acquired adequate working knowledge of Malaysian Company and Business Law and Taxation Law may apply for exemption from sitting the papers provided they fulfill the following conditions:-

- (i) The applicant must be a full member of an accountancy body recognised by the Institute.
- (ii) The applicant must have obtained at least five years approved accountancy and taxation experience in Malaysia.
- (iii) The applicant must satisfy the Council as to knowledge of Malaysian Company & Business Law and Taxation Law.

(c) Other Qualifications

Applicants who are not members of Malaysian Institute of Accountants and who possess any of the qualifications listed below will be eligible for exemption at the discretion of the Council:

- o Graduate/Member of the Malaysian Institute of Certified Public Accountants (MICPA)
- o Graduate/member of the Chartered Institute of Management Accountants (UK)
- o Recognised Degrees in Accounting and Advanced Diploma in Accountancy from local institutions of higher learning (Refer Appendix 4 for list of recognised local institution of higher learning)

3.0 Exemptions

Exemptions from specific papers in the MIT Examination are available to holders of relevant university degrees, diplomas and other professional qualifications. The extent of exemption granted will depend on the level of the qualification attained and the relevance of course content as determined by the Council.

Holders of non-relevant degrees/diplomas from local and overseas institutions of higher learning are eligible for subject exemption on the basis that the particular subject for which exemption is sought has been covered in the degree/diploma programme for at least two semesters or one academic year.

All applications for exemption or evaluation of qualification for possible exemption must be made in prescribed forms available from the MIT office at the time of registration as a student. No further exemptions will be granted there after. Appropriate fees must be paid immediately upon receipt of the Exemption Invoice.

4.0 Members of the Malaysian Institute of Accountants

Any person who is registered with Malaysian Institute of Accountants as a Chartered Accountant is eligible to apply for membership to the Institute without having to sit for the MIT Examination subject to the following requirements.

- (a) Any person who is registered with MIA as a Chartered Accountant and who holds a Practising Certificate and an audit licence issued pursuant to the Section 8 of the Companies Act, 1965.
- (b) Any person who is registered with MIA as a Chartered Accountant with Practising Certificate only and has had not less than two (2) years practical experience in practice or employment relating to taxation matters approved by the Council.
- (c) Any person who is registered with MIA as a Chartered Accountant without Practising Certificate and has had not less than three (3) years practical experience in practice or employment relating to taxation matters approved by the council.
- (d) Any person who is registered with MIA as a Licensed Accountant and who has had not less than five (5) years practical experience in practice relating to taxation matters approved by the council after admission as a licensed accountant of the MIA under the Accountants Act, 1967.

EXAMINATION SYLLABUS

FOUNDATION LEVEL

Economics and Business Statistics

Taxation I

Financial Accounting I

INTERMEDIATE LEVEL

Taxation II

Taxation III

Company and Business Law

FINAL LEVEL

Taxation IV

Taxation V

Financial Accounting II

Business and Financial Management

Exemption fess (per paper)

Foundation RM50

Intermediate RM60

Final RM70

Examination fees (per paper)

Foundation RM50

Intermediate RM60

Final RM70

FOUNDATION LEVEL

ECONOMICS AND BUSINESS STATISTICS

(a) ECONOMICS

Objective:

To examine the basic concepts of microeconomics, macroeconomics and public finance and their applications.

Contents:

(1) Introduction to Economics

- The Scope and Method of Economics
- The Economic Problem: Scarcity, Choice and Opportunity Cost
- Economic Systems

(2) Household Behaviour and Consumer Choice

- The Production Process: The Behaviour of Profit-Maximizing Firms
- Demand, Supply and Market Equilibrium
- The Price System, Supply and Demand and Elasticity
- Short-Run Costs and Output Decisions
- Costs and Output Decisions in the Long Run
- Input Demand: The Labour and Land Markets
- Input Demand: The Capital Market and the Investment Decision
- Market structures: Determination of price and output in perfect competition vs Imperfect competition market (monopoly, monopolistic competition and oligopoly)
- Externalities, Public Goods, Imperfect Information and Social Choice

(3) Macroeconomics

- Measuring national output and national income: including GDP, GNP and net income, nominal vs real and price index
- Keynesian theory: aggregate demand and aggregate supply, aggregate expenditure and equilibrium output, including income, consumption, saving, investment and the multiplier concept
- The money demand and money supply, Equilibrium interest rate and Federal Reserve System
- Macroeconomics concerns: Monetary policy and fiscal policy
- Debates in Macroeconomics: Keynesian, Monetarism, New Classical Theory and supply side economics

- Open economy macroeconomics: International trade, comparative advantage, absolute advantage and protectionism, the balance of payments and exchange rate

(b) **BUSINESS STATISTICS**

Objective:

To examine the basic concepts of quantitative techniques and analytical skills that are relevant to economics, business and accounting.

Contents:

(1) **Statistical presentation**

Application of techniques in the collection and description of numerical business data.

- Types of information and their uses: qualitative and quantitative; discrete and continuous data
- Primary and secondary data: collection of data and sampling methods
- Tabulation and grouping of data: frequency distribution, relative frequency distribution, percentage distribution, cumulative distribution
- Graphical representation: histogram, pie charts, ogive, polygons, bar charts

(2) **Statistical measures**

Includes techniques for summarizing large data sets commonly occurring within many business functions.

- Measures of centrality: mean, median and mode; group and ungrouped data
- Measures of dispersion: standard deviation, coefficient of variation, range, quartile deviations
- Statistical inference: confidence intervals and hypothesis testing for mean and proportion for a single population

(3) **Measurement of uncertainty**

To apply the measurement of uncertainty with regard to investment decisions, auditing, budgeting and other areas of business.

- Normal distribution
- Central Limit Theorem

- Probability: addition and multiplication rules, tree diagrams, Bayes' theorem, decision analysis, expected value of perfect information
- Simple Regression and Correlation Analysis
- Business Forecasting and Time Series

TAXATION I

Objective:

To examine the basic concepts (including reference to case law) of Malaysian income tax and its application to individuals as well as ethical practice.

Contents:

- Scope and Basis
 - taxation as a source of government revenue
 - understanding of general system of taxation in Malaysia
 - scope of charge
 - classes of income chargeable to tax
 - exemptions
 - chargeable persons
 - tax rates
- Residence of Individuals
 - determination of residence status
 - significance of residence status
- Sources of Income
 - Employment
 - meaning of employment
 - distinction between contract of service and contract for services
 - gains or profits from employment
 - basis of assessment
 - valuation of benefits-in-kind
 - deductible expenses
 - compensation for loss of office
 - gratuities
 - share options, incentive schemes and profit sharing schemes
 - exemptions
 - Other Sources
 - dividends

- interest
- discounts
- rents
- royalties
- premiums
- pensions

- periodical payments
- annuities
- other gains or profits
- occupation of premises for non-business purposes
- basis of assessment
- deductible expenses
- exemptions

- Personal Reliefs and Rebates

- Computation of Tax Liability
 - taxation of husband and wife
 - determination of chargeable income
 - computation of tax payable

- Tax Administration
 - organizational structure of the Ministry of Finance, Inland Revenue Board and the Royal Customs & Excise Department
 - duties and powers of the Director General of Inland Revenue
 - returns
 - assessments
 - collection and recovery
 - appeals
 - offences and penalties

- Professional Ethics

This will include the following:

 - form of practice and matters relating thereto
 - obligations to clients and confidentiality
 - matters relating to the affairs of new clients
 - handling client work and all matters relating thereto
 - charging for services
 - matters giving rise to conflict of interest
 - disclosures in tax returns, computations and correspondence with the Inland Revenue

- dealing with Inland Revenue errors in favour of taxpayers, tax evasion, tax avoidance and ethical/moral issues

FINANCIAL ACCOUNTING I

Objective:

To examine the understanding of the nature, principles and scope of financial accounting and the applications and implications of accounting concepts and conventions.

Contents:

- The Basic Structure of Accounting
 - The accounting profession
 - Types of business organisations
 - The structure of Malaysian accounting standards setting
 - Accounting concepts and principles
 - The accounting equation
 - Recording, handling and summarising accounting data (including cash book, bank reconciliation statement, petty cash book, sales and purchase books, return inward and outward books, general journal, double entry accounting system, general ledger, trial balance, control accounts, correction of errors and preparation of suspense account)
 - Measuring business profit: The adjusting process (accruals, prepayments, income in arrear and in advance) and adjusted trial balance
- The framework of accounting
 - The conceptual framework
- Objective of financial reporting
 - Underlying assumptions
 - Accounting principles
 - Constraints on accounting
 - True and fair view
- Introduction to Accounting systems
 - Accounting systems design
 - Computer data processing
 - Effective systems of internal control
 - Computer and internal control

- Accounting treatment of
 - cash and bank
 - accounts receivable
 - inventory
 - non-current assets and intangible assets
 - revaluation of non-current assets
 - current liabilities
 - contingent liabilities
 - post-balance sheet events
- Preparation of financial statements for
 - (a) Sole traders from simple incomplete records
 - (b) Clubs and societies
 - receipts and payments accounts
 - income and expenditure accounts
 - (c) Partnerships
 - Characteristics of a partnership
 - Initial investment by partners
 - Sharing partnership profits and losses
 - Drawings
 - Treatment of goodwill
 - Dissolution of a partnership
 - Withdrawal of a partner
 - Death of a partner
 - (d) Manufacturing companies - manufacturing accounts
- Interpretation and analysis of financial statements
- Preparation of significant ratios and using the ratios to appraise the performance and future prospects of a business

Note: Students are expected to be familiar with the approved accounting standards and pronouncements in Malaysia issued by MASB and also with local legislation and reporting requirements governing the preparation of accounts and financial statements.

INTERMEDIATE LEVEL

TAXATION II

Objective:

To examine the principles (including reference to case law) and application of Malaysian income tax on businesses.

Contents:

- Business Source
 - definition of business
 - badges of trade
 - commencement and cessation of business
 - basis of assessment including change of accounting date
 - capital and revenue receipts
 - deductibility of expenses
- Deductions for Capital Expenditure
 - meaning of plant and machinery, as well as industrial building
 - determination of initial allowance, annual allowance, balancing allowance and balancing charge in respect of plant and machinery and industrial buildings
 - agriculture, forest and mining allowances
 - expenditure on prospecting operations
 - expenditure on approved agricultural projects
 - disposals subject to control
- Partnerships
 - existence of a partnership
 - ascertainment of provisional adjusted income/loss as well as divisible income/loss
 - changes in partners
- Corporate Taxation
 - determination of residence status
 - significance of residence status
 - basis periods and change of accounting date
 - section 108 computation

- Computation of Tax Liability
 - treatment of losses
 - determination of chargeable income
 - computation of tax payable
- Avoidance of Double Taxation
 - double taxation agreements
 - non-resident relief
 - unilateral relief and bilateral relief
- Taxation of Non-Residents
 - withholding taxes
 - non-resident relief

TAXATION III

Objective:

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

Contents:

- Specialized activities
 - leasing
 - co-operative societies
 - trade associations and clubs
 - charitable institutions
 - trust bodies, settlements and estates under administration
 - petroleum, banking, insurance, sea and air transport undertakings
 - unit trusts
 - property developers
 - investment holding companies
- Cross Border Transactions
 - distinction between trading in and trading with Malaysia
 - double taxation agreements (with emphasis on determination of a permanent establishment, business profits, personal services and tax sparing relief)

- 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
- Indirect Taxes (including stamp duty)
 - role and powers of the Royal Customs & Excise Department
 - import duty
 - export duty
 - excise duty
 - sales tax
 - service tax
 - stamp duty

COMPANY AND BUSINESS LAW

Objective:

To examine understanding of the laws relating to limited companies, sole-proprietorships, partnerships and other business organizations.

Contents:

(a) COMPANY LAW

- Types of companies and corporate personality
- Formation and registration procedures
- Powers of a company and its memorandum and articles of association
- Types of statutory records
- Dividends and classes of shares
- Loans to directors and shareholders
- Duties, powers, rights and liabilities of directors
- Code of ethics for directors
- Appointment, removal and remuneration of directors
- Annual general meetings and other meetings
- Conduct of meetings
- Company secretaries - duties and liabilities
- Reconstructions, mergers and take-overs
- Liquidation and dissolution

(b) BUSINESS LAW

- Laws relating to sole-proprietors and partnerships including law of agency
- Law of Contract
- Negotiable instruments - Bills of Exchange Act
- Laws relating to sale of goods, hire purchase and leasing
- Formation procedures of business organizations (other than limited companies)
- Bankruptcy law

FINAL LEVEL

TAXATION IV

Objective:

To examine understanding of the interpretation of income tax statutes through case law decisions.

Contents:

- Rules of Interpretation of tax statutes/legislation
- The Basis of Malaysian Taxation
 - (i) The derived income basis,
 - (ii) The remittance basis,
 - (iii) Classes of Income.
- Employment Income
 - (i) Residence of individuals.
 - (ii) Profession or employment.
 - (iii) Meaning of having or exercising an employment.
 - (iv) Gross income from employment
 - (v) Derivation of employment income
 - (vi) Exemptions
- Business Income & Losses
 - (i) Trading and adventure in the nature of trade :
 - (a) Meaning of adventure or concern in the nature of trade
 - (b) Badges of trade
 - (c) Mutual trading
 - (d) Illegal activities

- (ii) Commencement/Cessation of Business
 - (iii) Capital and Revenue Receipts
- Partnerships
- Capital and Revenue Expenditure
- Relief for Capital Expenditure
(including controlled transfer provisions)
- Companies and bodies of persons
 - (i) Residence status and its significance
 - (ii) The Imputation system
- Dividends, Interest, Royalties, Annuities, Rents, Premiums, Discounts, Periodical Gains and Other Gains or Profits.
- Real Property Gains Tax
- Double Taxation Agreements

TAXATION V

Objective:

To examine the ability to provide a comprehensive and practical response to specific problems.

Contents:

(Questions may involve more than one type of tax and the paper as a whole will contain questions requiring knowledge of all of the areas and taxes covered in Taxation I to Taxation IV.

Questions may also require a knowledge of other aspects of law and accountancy that a tax practitioner may encounter.

Questions may require reports, letters or computations.)

- Tax Incentives
- Tax Planning

This will include the following:

- identifying opportunities to alleviate, mitigate or defer the impact of direct or indirect taxation

- anti-avoidance provisions
- pricing policy
- uses of tax incentives
- Tax Investigations
 - powers of the Director General of Inland Revenue
 - events which may trigger an investigation
 - methods of computing omitted/understated income
 - capital statements
 - negotiation for settlement
- Professional ethics
- Tax Policies
 - types of tax systems
 - role of taxation in economic development
 - design of tax policy criteria for evaluation of a tax system
 - tax reforms
 - awareness of recent developments in the field of taxation (e.g. self-assessment, value added tax, etc.)

FINANCIAL ACCOUNTING II

Objective:

To examine the financial accounting concepts and principles, including the relevant statutory requirements and compliance with the approved accounting standards in Malaysia issued by the Malaysian Accounting Standards Board (MASB).

Contents:

- Sole trader and partnership conversions to a limited liability company
 - accounting treatment for the conversion of a sole trader into a limited company
 - accounting treatment for the conversion of a partnership into a limited company
- Characteristics of a company
- Company Formation, Prospectus and Published Accounts

- formation of companies; prospectus; accounting treatment for classes of shares; issue of shares; bonus and rights issues; reserves; retained profits, dividends and taxation; share splits; share buybacks; earnings per share; types of debentures; issue and redemption of debentures; and compliance with legal requirements
- preparation and presentation of financial statements (for publication in accordance with the Company's Act 1965)
- director's report and auditor's report
- Company Reconstruction
 - rationale
 - internal reconstruction/capital reduction
 - external reconstruction/capital reduction
 - books of the new company
 - books of the old company
- Joint ventures
 - understanding the nature of a joint venture
 - accounting treatment for a simple joint venture
- Branch accounts (excluding foreign branch)
 - preparation of separate and combined financial statements for head office and branch
- Analysing and evaluation of financial statements
 - preparing cash flow statement (MASB 5)
 - calculating significant ratios to appraise and communicate the position and prospects of a business
 - recognising the working capital requirements of a business
- Group accounts
 - definition of holding company, subsidiary and associated company
 - preparing consolidated balance sheet, profit and loss account and cash flow statement for a holding company with one subsidiary and/or one associated company
 - MASB 11: Consolidated Financial Statements and Investments in Subsidiaries
 - MASB 12: Investments in Associates

Note: Students are expected to be familiar with the approved accounting standards and pronouncements in Malaysia issued by MASB and also with local legislation and reporting requirements governing the preparation of accounts and financial statements.

BUSINESS & FINANCIAL MANAGEMENT

Objective:

To examine knowledge of principles and issues in business and financial management.

Contents:

(1) Business Management

Topics covered include:

- Principles of management and control; formulation of policy; delegation of authority and responsibility; organizational structure and social responsibility of management.
- Development of integrative programs of action that reflect organization's environmental, financial, people and time.
- Principles of human resource management; selection, education and training, promotion; human relations; safety; welfare including Employment Act.
- Marketing and sales management; product, pricing, promotion and distribution channels.
- Communication channels, information technology and report writing.

(2) Financial Management

Topics covered include :

- Financial mathematics : simple and compound interest, nominal and effective interest rates, annuities, perpetuities, discounted cash flow; net present value, internal rate of return.
- The Malaysian Financial System.
 - flow of funds in an economy
 - Bank Negara Malaysia
 - major financial institutions
 - non-banking financial intermediaries
 - Islamic banking
 - Kuala Lumpur Stock Exchange

- Financial Futures and Option Exchange (KLOFFE)
- money and foreign exchange
- Essential concepts in financial management.
 - time value of money
 - an introduction to risk-return trade-off
- Tools of financial analysis, planning and decision making.
 - financial ratio analysis
 - funds and cash flow analysis
 - financial forecasting
 - financial planning and control
- Working capital management.
- Capital structure and cost of capital; capital gearing, dividend policy.

(3) Malaysian Government Policies and Regulations.

Students are required to know various Malaysian government policies and regulations that affect business and finance.

- Role and Functions of:-
 - Ministry of International Trade and Industry
 - Malaysian Industrial Development Authority
 - Foreign Investment Committee Guidelines
 - Registrar of Companies
 - Rating Agencies
- Industrial Coordination Act including procedures of obtaining manufacturing licences and investment incentives.
- Wholesale and Retail Trade Guidelines
- Foreign Exchange Control Guidelines

READING GUIDE]

ECONOMICS AND BUSINESS STATISTICS

ECONOMICS

1. * Case and Fair. Principles of Economics. 6th Edition. Prentice Hall, 2003.
2. Irvin B. Tucker. Economics for Today. 2nd Edition. South Western College. Thomson Learning, 1999.
3. Begg, D. Economics. 5th Edition. McGraw Hill, 1997.
4. McConnel, Brue. Economics. Principles. Problems and Policies. 14th Edition. McGraw Hill, 1998.
5. Ministry of Finance. Laporan Ekonomi/Economic Report.
6. Bank Negara Malaysia. Laporan Tahunan/Annual Report.

BUSINESS STATISTICS

- 1.* Berenson, M. L., Levine, D. M. and Krehbiel, T.C. Basic Business Statistics: Concepts and Applications. 8th Edition. Prentice Hall, 2003.
2. Barrow M. Statistics for Economics. Accounting and Business Studies. 2nd Edition. Addison Wesley Longman Malaysia, 1996.
3. Gregory, D. and Ward, H. Statistics for Business Studies. 4th Edition. London: McGraw Hill, 1993.

TAXATION I

1. * Veerinderjeet Singh. Malaysian Taxation: Administrative and Technical Aspects. 6th Edition. Kuala Lumpur: Pearson 2003.
2. CCH Tax Editors. Malaysian Master Tax Guide. 20th Edition. Singapore: CCH Asia Ltd, 2003.
3. Chin Yoong Kheong. Malaysian Taxation. 4th Edition. Kuala Lumpur: Butterworth Asia, 1997.
4. Arjunan Subramaniam. Malaysian Income Tax Manual. 6th Edition. Kuala Lumpur. Pelanduk Publications, 1996.
5. Tax Nasional, Journal of the Malaysian Institute of Taxation.
6. Malaysian Institute of Taxation. Rules & Regulations (On Professional Conduct and Ethics)
7. Malaysian Institute of Taxation's Budget Commentary.

* Recommended text books

TAXATION II

1. * Veerinderjeet Singh. Malaysian Taxation: Administrative and Technical Aspects. 6th Edition. Kuala Lumpur: Pearson, 2003.
2. CCH Tax Editors. Malaysian Master Tax Guide. 20th Edition. Singapore: CCH Asia Ltd, 2003.
3. Chin Yoong Kheong. Malaysian Taxation. 4th Edition. Kuala Lumpur: Butterworth Asia, 1997.
4. Arjunan Subramaniam. Malaysian Income Tax Manual. 6th Edition. Kuala Lumpur. Pelanduk Publications, 1996.
5. Tax Nasional, Journal of the Malaysian Institute of Taxation.
6. Malaysian Institute of Taxation's Budget Commentary.

TAXATION III

1. * CCH Tax Editors. Malaysian Master Tax Guide. 20th Edition. Singapore: CCH Asia Ltd, 2003.
2. Chin Yoong Kheong. Malaysian Taxation. 4th Edition. Kuala Lumpur: Butterworth Asia, 1997.
3. Arjunan Subramaniam. Malaysian Taxation System 2003: Self Assessment. Sweet & Maxwell, 2003.
4. Veerinderjeet Singh. Malaysian Taxation: Administrative and Technical Aspects. 6th Edition. Kuala Lumpur: Pearson, 2003.
5. Tax Nasional, Journal of the Malaysian Institute of Taxation.
6. Malaysian Institute of Taxation's Budget Commentary.

TAXATION IV

- 1.* Veerinderjeet Singh. Malaysian Taxation: Administrative and Technical Aspects. 6th Edition. Kuala Lumpur: Pearson, 2003.
2. Arjunan Subramaniam. Malaysian Income Tax Manual. 6th Edition. Kuala Lumpur. Pelanduk Publications, 1996.
3. Chin Yoong Kheong. Malaysian Taxation. 4th Edition. Kuala Lumpur: Butterworth Asia, 1997.
4. CCH Tax Editors. Malaysia Singapore Tax Cases. CCH Asia Ltd. (Loose Leaf)-

* Recommended text books

5. CCH Tax Editors. Malaysian Master Tax Guide. 20th Edition. Singapore: CCH Asia Ltd, 2003.
6. Tax Nasional, Journal of the Malaysian Institute of Taxation.
7. Malaysian Institute of Taxation's Budget Commentary.

TAXATION V

All texts recommended for Taxation I to Taxation IV.

FINANCIAL ACCOUNTING I

- 1.* Wood, F. Business Accounting 1: International Student Edition, 7th Edition, Financial Times Management, 1996.
2. Betsy Li. Principles of Accounts, 3rd Edition. Oxford University Press, 1998.
3. Roy Dodge. Foundations of Business Accounting, 2nd Edition. International Thomson Press, 1997.
4. Melville Alan. Financial Accounting, Pitman Publishing, 1997.

FINANCIAL ACCOUNTING II

- 1.* Wood, F. and Sangster, A. Business Accounting 2: International Student Edition, 8th Edition, Financial Times Management, 1999.
- 2.* Jane Lazar and Tan Lay Leng. Company Accounts and Reporting, 5th Edition. Kuala Lumpur: Prentice Hall, 2003.
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MASB publications can be purchased from:

Suite 5.01-5.03, 5th Floor
Wisma Maran
No. 338 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Tel: 03-27159199
Fax: 03-27159212

* Recommended text books

E-mail: masb@po.iaring.my
Website address: <http://www.masb.org.my>

COMPANY AND BUSINESS LAW

COMPANY LAW

- 1.* Woon, Walter C.M. Company Law. 2nd Edition. Kuala Lumpur: Sweet & Maxwell Asia, 1997.
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- 1.* Wu Min Aun and Beatrix Vohrah. The Commercial Law of Malaysia. 2nd Edition. Kuala Lumpur: Longman, 2000.
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7. Visu Sinnadurai. Law of Contract in Malaysia. Cases and Commentary. 2nd Edition. Butterworths: Kuala Lumpur, 5th Impression 1999.
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BUSINESS AND FINANCIAL MANAGEMENT

BUSINESS MANAGEMENT

- 1.* Stoner, James A. F. and Wankel, Charles. Management. 6th Edition. Englewood Cliffs, New Jersey: Prentice-Hall, 1995.
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- 1.* James C, Van Home & John M, Wachowicz Jr. Fundamentals of Financial Management. 11th Edition. New Jersey: Prentice-Hall, 2001.
2. Johnson Pang. Banking & Finance-Malaysia. Shah Alam: Times, 1995.
- 3.* Bank Negara Malaysia. The Central Bank and the Financial System in Malaysia: Decade of Change. Kuala Lumpur: BNM, 1999

MALAYSIAN GOVERNMENT POLICIES AND REGULATIONS

- Industrial Coordination Act including procedures in obtaining
- Manufacturing Licenses and incentive.
- Foreign Investment Committee Guidelines.
- Foreign Exchange Control Guidelines.
- Wholesale and Retail Trade Guidelines.
- MIDA publications.
- Ministry of Finance. Laporan Ekonomi/Economics Report.

APPENDIX 1

QUALIFICATIONS DEEMED EQUIVALENT TO HSC/STPM REQUIREMENT

1. Matriculation Courses conducted by Universiti Kebangsaan Malaysia; Science Course conducted by Pusat Asasi Sains, Universiti Malaya and Economics Matriculation course conducted by Universiti Islam Antarabangsa or similar courses conducted by other Malaysian Institutions of Higher Learning.
2. Singapore and United Kingdom General Certificate of Examination, Advanced Level (including Associated Examination Board (AEB) Examination), with results obtained in the same examination sitting.
3. The following examinations are also deemed equivalent to the HSC/STPM requirement provided the results obtained satisfy the admission requirement to a degree course offered by the recognised university in that country:
 - (i) Australian or New Zealand High School Leaving Certificate Examination
 - (ii) South Australian Matriculation Examination
 - (iii) Canadian Grade 13 Programme
4. Diploma in Banking & Finance from Institute of Bankers
5. Certificate of Business Studies from Politeknik Ungku Omar or other Malaysian Polytechnics offering similar courses.
6. Diploma in Accounting from Malaysian Association of Productivity
7. Certificate in bookkeeping and Certificate in Data Processing from Politeknik Sultan Haji Ahmad Shah or other Malaysian Polytechnics offering similar courses.
8. Certificate in Accounting with Business Computing from Kolej Tuanku Abdul Rahman
9. Certificate in Bookkeeping from Politeknik Kota Bharu or other Malaysian Polytechnics offering similar courses.
10. Diploma from Association of Business Executives
11. Licentiate/Associate/Fellow of Institute of Financial Accountants (UK) (only those who obtained membership through passing the IFA examination)

12. Third Level Group Diploma/Third Level Diploma in Business Studies/
Third Level Diploma in Managerial Principles from London Chamber of
Commerce and Industry.
13. Unified Examinations Certificate from Chinese Independent Schools

Note:

Applicants with any of the above qualifications must also satisfy the MCE/
SPM requirements.

APPENDIX 2

QUALIFICATIONS DEEMED TO SUPERSEDE THE MINIMUM ENTRY REQUIREMENTS

1. A non-relevant degree from local universities
2. A degree from the National University of Singapore
3. Bachelor of Accountancy from Nanyang Technological University, Singapore
4. Diplomas from Universiti Teknologi MARA :
 - (a) Advanced Diploma in Law
 - (b) Diploma in Accountancy
 - (c) Diploma in Business Studies
 - (d) Diploma in Banking Studies
 - (e) Diploma in Investment Analysis
 - (f) Advanced Diploma in Business Administration
 - (g) Advanced Diploma in Insurance
 - (h) Diploma in Public Administration
 - (i) Diploma in Law
5. Diploma in Accountancy from Politeknik Kuching/Politeknik Ungku Omar/
Politeknik Sultan Haji Ahmad Shah (POLISAS) or similar Malaysian
Polytechnics offering similar courses
6. Graduate or associate member of the Institute of Chartered Secretaries and
Administrators
7. Associate member of the Association of International Accountants (UK)
(only those who obtained membership through passing the examination)
8. Associate of the Institute of Bankers London

9. A degree from overseas universities recognised by the Council
10. Member of the Institute of Cooperative Auditors (ICA)
(only those who obtained membership through passing the ICA examination)
11. Advanced Diploma from Association of Business Executives (Applicants must also satisfy the MCE/SPM requirements)
12. Member of the American Institute of Certified Public Accountants (AICPA)
13. Member of US State Boards of Accountancy
14. Accounting Diploma from Tuanku Abdul Rahman College

APPENDIX 3

LIST OF OVERSEAS ACCOUNTANCY BODIES RECOGNISED PURSUANT TO PARAGRAPH 2.1 (c)

Full member of:

The Institute of Chartered Accountants in England & Wales (ICAEW)

The Institute of Chartered Accountants of Scotland (ICAS)

The Institute of Chartered Accountants in Ireland (ICAI)

The Institute of Chartered Accountants in Australia (ICAA)

The Canadian Institute of Chartered Accountants (CICA)

The Association of Chartered Certified Accountants (UK) (ACCA)

The Australian Society of Certified Practising Accountants (ASCPA)

The Institute of Chartered Accountants of New Zealand (ICANZ)

The Indian Institute of Chartered Accountants

LIST OF OVERSEAS ACCOUNTANCY BODIES RECOGNISED PURSUANT
TO PARAGRAPH 2.1 (d)

The Chartered Institute of Management Accountants (CIMA)

APPENDIX 4

LIST OF RECOGNISED LOCAL INSTITUTIONS OF HIGHER LEARNING
AND PROFESSIONAL BODIES

Universiti Malaya

Universiti Kebangsaan Malaysia

Universiti Utara Malaysia

Universiti Putra Malaysia

Universiti Islam Antarabangsa

Universiti Teknologi MARA

Malaysian Institute of Certified Public Accountants (MICPA)

APPENDIX 5

EXAMINATION REGULATIONS

1. Eligibility for Examination

- 1.1 No person shall be eligible to sit for any of the Institute's examination unless he is a registered student of the Institute.

1.2 Foundation Level

A student may not sit for the Foundation Level Examination until three months have elapsed since the date of registration as a student.

1.3 Intermediate Level

A student may not sit for the Intermediate Level Examination unless he has passed or been granted exemption from all papers in the Foundation Level. In the case where exemption from the Foundation Level has been granted, a student may not sit for the Intermediate Level Examination until three months have elapsed since the date of registration as a student of the Institute.

1.4 Final Level

A student may not sit for the Final Level Examination unless he has passed or been granted exemption from all papers in the Foundation Level Examination and Intermediate Level Examination. Where such exemption has been granted, the student may present himself for the Final Level Examination at any time after he has registered as a student of the Institute.

1.5 Qualifying Period

The qualifying period that a student must complete before he is entitled to present himself as a candidate for an examination refers to the period which has elapsed since the date of registration as a student of the Institute prior to the first day of the month in which the examination is held. For this purpose, the period is deemed to have commenced from the first day of the month in which the student was registered with the Institute.

2. Application for Examination

Applications for admission to examination must be made in the form prescribed by the Examination Committee to be received by the Committee on or before the closing date set for acceptance of applications. The application must be accompanied by:

- (a) The appropriate fee payable in respect of the examination.
- (b) A certificate in the form prescribed by the Examination Committee that the candidate is a fit and proper person to be admitted to the examination. The certificate is to be signed by his current employer or a member of the Institute.

3. Acceptance of Entries

The dates for each examination session and acceptance of entries shall be published in the journal of the Institute and in a national newspaper (if required by the Examination Committee). Late entries will not be accepted for any examination and no allowance shall be made for any special circumstances nor for any error or omission by the candidate, or by any person acting on his behalf.

4. Refund of Examination Fees

If after payment of the examination fee, a candidate withdraws his entry or fails to present himself for examination in one or more papers, the fee may be wholly or partly refunded as follows:

- (a) A candidate whose request to withdraw from an examination is received before the closing date for receipt of entries will obtain a refund of the fee paid for the examination less a sum equivalent to 20% of the fee paid.
- (b) A candidate whose request to withdraw from an examination is received after the closing date for receipt of entries will not be entitled to any refund of the fee paid, except that the Committee may:
 - (i) on receipt of satisfactory medical evidence grant a refund to a candidate who, by reason of illness, withdraws from an examination after the closing date for receipt of entries or who is absent from all papers in an examination for which he has entered;
 - (ii) grant refund in such other circumstances as it may deem fit.

An application for such a refund of fees must be submitted, with supporting evidence, within twenty-eight days of the start of the examination for which the candidate has entered. A sum equivalent to 20% of the fee paid will be deducted from the fee paid when the refund is made.

5. Exemption from Examination

The Council may at its discretion grant exemption from such papers of the Institute's examinations to any registered student who can produce evidence to the satisfaction of the Council of his success in any examination which shall be recognised by the Council as providing a satisfactory test to qualify for exemption from such papers.

6. Time Limit to Complete Examination

The Institute's examinations must be completed within the following time limits and all papers from each level (for which exemption has not been granted) must be attempted in the same sitting. The Council may in specific circumstances, extend the number of attempts for a student.

6.1 Foundation Level

All papers in the Foundation Level Examination must be passed within 4 years from the date of registration with the Institute. A credit would be given for each paper passed. A student must complete the Foundation Level in a maximum of 4 attempts provided that a student shall be granted one final attempt to be taken in the next immediate examination session following the expiry of the time limit if his total number of attempts has not exceeded the maximum number of attempts.

6.2 Intermediate Level

A student shall not be allowed to attempt the Intermediate Examination until he has completed all the papers in the Foundation Level (for which exemption has not been granted) within the limit specified above. A credit would be given for each paper passed.

The Intermediate Level Examination must be completed within a maximum of five years.

6.3 Final Level

A student will not be allowed to attempt the Final Level Examination until he has completed all the papers in the Foundation Level and Intermediate Level (for which exemption has not been granted) within the specified time limit. A credit would be given for each paper passed.

The Final Level must be completed within a maximum of seven years.

For a student whose time limit to complete the Final Level falls within the month in which the examination is held, that examination shall be his final attempt. A student whose time limit to complete the Intermediate Level falls in any of the other months shall be granted one final attempt to be taken in the next immediate examination session following the expiry of his time limit.

7. Misconduct in Examination

Any candidate who is found guilty of misconduct in an examination shall be liable to disciplinary action being instituted against him by the Examination Committee/Council. Misconduct includes, inter alia:

- (a) being in possession of any books, notes or other unauthorised material while in the examination room;
- (b) aiding, or attempting to aid another candidate or obtaining, or attempting to obtain aid from another candidate;
- (c) failing to obey any instruction of the invigilators;
- (d) giving false or misleading information to the invigilators.

8. Examination Results

8.1 Declaration of Results

The decision of the Examination Committee in regard to a candidate's examination result is final and no correspondence shall be entered into with the candidate himself, his employer, his parents or any persons or organisations claiming interest.

8.2 Performance

Candidates will be advised of their performance in each paper classified as either a Pass or Fail.

9. Prizes

Prizes are awarded to candidates whose performance in an examination is outstanding on the following basis:

- (a) A prize for best performance will be awarded for each examination level, each Taxation paper and any other paper as determined by Council.
- (b) Only candidates who have passed a particular level of the examination part as a whole will be considered for prize awards.

GENERAL INFORMATION

1. Date of Examination

The Institute's examinations are held annually, usually in the month of December .

2. Notice of Examination

An examination docket is sent to each examination candidate about 2 weeks before the examination date stating the examination number, the examination part and subjects entered for and the location of the examination centre.

On receipt of this docket, a candidate should check carefully the information contained therein. Candidates are advised to read carefully the detailed instructions which accompany the docket. If he has any doubt, he should contact the Institute's Examination Officer immediately.

3. Rejected Application

Where an applicant has been refused permission to sit for any parts of the examination, he may make appeal in writing for reconsideration giving his reasons within 7 days of the notification. Such appeal shall be considered by the Examination Committee whose decision shall be final.

4. Examination Centre

The usual centres for the holding of the Institute's examinations are at Kuala Lumpur, Ipoh, Penang, Melaka/Seremban, Johor Bahru, Kuantan, Kota Kinabalu and Kuching. A candidate may elect to sit at the centre of his choice. However, if the total number of candidates sitting for any paper at a particular centre is too few, the candidates will be instructed to go to another centre.

5. Medium of Examination

The Institute's examinations are set in the English Language. A candidate may elect to write the examination in either the English Language or Bahasa Malaysia but he must ensure that only one language is being used throughout a particular examination paper.

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