

Public Ruling No. 7/2000

PROVIDING REASONABLE FACILITIES AND ASSISTANCE

1.0 TAX LAW

This Ruling applies in respect of section 80 of the Income Tax Act, 1967 .

2.0 THE APPLICATION OF THIS RULING

This Ruling considers:

- 2.1 what facilities and assistance a person should provide to the Director General or an authorized officer;
- 2.2 the consequences of failing to provide such facilities and assistance.

3.0 HOW THE TAX LAW APPLIES

- 3.1 A person should provide reasonable facilities and assistance to the Director General or an authorized officer when he exercises his powers of full and free access to lands, buildings and places and to all books and other documents, to search such lands, buildings and places or to copy or make extracts from any such books or documents without making any payment.
- 3.2 This Ruling gives general guidelines on the facilities and assistance that are to be provided to the Director General or an authorized officer.
- 3.3 **Facilities and Assistance**
 - 3.3.1 Free and full access to lands, buildings and other places must be provided to the Director General or an authorized officer immediately upon such a request being made to the owner and/or the occupier. Any obstruction or hindrance to full and free access should be removed.
 - 3.3.2 An explanation of the office system and the accounting system must be given if so required. The accounting manual, chart and code of accounts including computer and software manuals should be made available. Access should also be given to the physical and/or electronic records, documents and books of accounts.

3.3.3 Information should be given as to where the records are kept and assistance should be given in identifying and locating the documents, records and books of accounts requested by the Director General or an authorized officer.

3.3.4 Use of facilities such as copier, telephone or other communication equipment, lighting and power, office work space and furniture should be provided. Facilities should also be provided for copying of electronic records on to tapes, disks or diskettes.

3.4 **The Consequences if Reasonable Facilities or Assistance Are Not Provided**

Failure to provide reasonable facilities or assistance or both to the Director General or an authorized officer, in the exercise of his powers, is an offence under the Act. On conviction, the offender may be liable to a fine of RM1,000 up to RM10,000 or to imprisonment for a term of up to one year, or to both.

4.0 **INTERPRETATION**

For the purpose of this Ruling:

- 4.1 An "authorized officer" is a public officer or an employee of the Inland Revenue Board, Malaysia who is authorized, in writing, to exercise any function of the Director General under the Act.
- 4.2 "Electronic records, documents and books of accounts" include records, documents and books of accounts kept in any electronic medium.
- 4.3 "Occupier" includes a tenant/lessee or any person who has physical possession and/or control of the land, building or place, or part thereof, to which access is requested by the Director General or an authorized officer, at the time such a request is made.
- 4.4 "Owner" means the person who has possession or ownership, legal or beneficial, of the land, building, place, books, records or documents, or part thereof, to which access is requested by the Director General or an authorized officer.
- 4.5 "Person" includes a company, a co-operative, a partnership, a club, an association, a Hindu joint family, a trust, an estate under administration, an individual, and any representative, agent, family

member, employee or servant of any of the foregoing.

(Date of Issue: 16/06/2000)