

30 May 2005

Circular No. 11/2005

TO ALL MEMBERS

1. Public Ruling 2/2004-Release of a new addendum

We wish to inform members that the Inland Revenue Board (IRB) has released an addendum to Public Ruling No. 2/2004 (BENEFITS-IN-KIND).

The addendum is available for downloading from the IRB's website at

http://www.hasilnet.org.my/melayu/pdf/Tambahan_ketetapan_umum2.pdf (Malay version)

[http://www.hasilnet.org.my/english/pdf/Public_Ruling_addendum_2\(2004\).pdf](http://www.hasilnet.org.my/english/pdf/Public_Ruling_addendum_2(2004).pdf) (English version)

or at <http://www.mit.org.my> (English version only).

2. Form B E-Filing and E-Filing Application for the Year of Assessment 2004

We would also like to inform members that the application to file Form B electronically through internet has been released by the IRB. This can be done by using the E-Filing and E-Filing application available for downloading from the IRB's website, www.hasilnet.org.my through E-Perkhidmatan.

Warm Regards,

A handwritten signature in dark ink, appearing to read 'Harpal Singh Dhillon', with a long horizontal line extending to the right.

Harpal Singh Dhillon

Honorary Secretary

13 June 2005

Circular No. 12/2005

TO ALL MEMBERS

1. Public Ruling 2/2005

We wish to inform members that the Inland Revenue Board (IRB) has released Public Ruling No. 2/2005 on COMPUTATION OF INCOME TAX PAYABLE BY A RESIDENT INDIVIDUAL.

The Public Ruling is available for downloading from the IRB's website at

http://www.hasilnet.org.my/melayu/pdf/ketetapanUmum2_05.pdf (Malay version)

http://www.hasilnet.org.my/english/pdf/PublicRuling2_05.pdf (English version)

or at <http://www.mit.org.my> (English version only).

Warm Regards,

A handwritten signature in dark ink, appearing to read 'Harpal Singh Dhillon', with a long horizontal flourish extending to the right.

Harpal Singh Dhillon

Honorary Secretary

17 June 2005

Circular No. 13/2005

TO ALL MEMBERS

1. Minutes of the Tax Audit & Investigation Dialogue with the IRB held on the 10th of May 2005

We would like to inform members that the IRB has released the minutes of the Tax Audit & Investigation dialogue held with the IRB on the 10th of May 2005. The minutes may be downloaded from the Institute's website (www.mit.org.my).

Warm Regards,

A handwritten signature in dark ink, appearing to read 'Harpal Singh Dhillon', is written over a horizontal line.

Harpal Singh Dhillon

Honorary Secretary

1 August 2005

Circular No. 14/2005

TO ALL MEMBERS

1. Guidelines on Real Estate Investment Trusts or Property Trust Funds

We wish to inform members that the Inland Revenue Board (IRB) has just released the Guidelines on Real Estate Investment Trusts or Property Trust Funds. A copy of the guidelines may be downloaded from the Institute's website at www.mit.org.my.

2. Dissemination of Information to Members via Electronic Mail

As part of the Institute's continuing endeavor to improve the level of services to its members, the Institute will be sending information (including Circulars) to Members via electronic mail. Due to the instantaneous nature of electronic mail, members who receive information via electronic mail will enjoy the benefit of obtaining the information immediately upon such information is being made available to the Institute. The Institute will send via post the hard copy of such information (if any) on the 15th of every month. As such, kindly send in your e-mail address by filing up the space provided below and faxing this document back to the Institute as soon as possible.

I wish to confirm that my e-mail address is as follows:-

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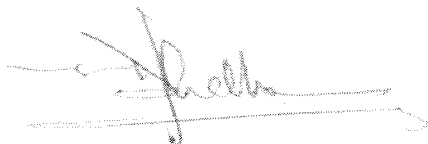
3. Implementation of 5 Working Days a Week

We wish to inform members that effective from the 1st of July 2005, the Institute will be open for business 5 days a week from Monday to Friday. However, the operational hours will be from 8.30a.m. to 6.30p.m.

4. GST Public Consultation

The Tax Review Panel of the Ministry of Finance has invited the Institute as a private sector participant in the Goods and Services Tax Public Consultation conducted between 18th to 27th of July 2005.

Warm Regards,



Harpal Singh Dhillon

Honorary Secretary

20 September 2005

Circular No. 15/2005

TO ALL MEMBERS

1. Public Ruling 3/2005

We wish to inform members that the Inland Revenue Board (IRB) has released Public Ruling No. 3/2005 on LIVING ACCOMMODATION BENEFIT PROVIDED FOR THE EMPLOYEE BY THE EMPLOYER.

The Public Ruling is available for downloading from the IRB's website at

<http://www.hasilnet.org.my/melayu/pdf/KetetapanUmum03.pdf> (Malay version)

<http://www.hasilnet.org.my/english/pdf/PublicRuling03.pdf> (English version)

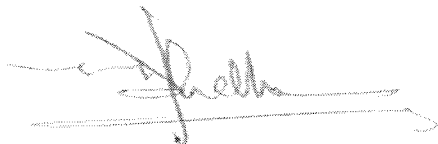
or at <http://www.mit.org.my> (English version only).

2. Deduction For Promotion of Exports Provided Under Promotion of Investments Act 1986 and Income Tax (Deduction For Promotion of Exports) Rules 2002 - P.U. (A) 115/2002

Deduction Under Income Tax (Deductions For Promotion of Export of Higher Education) Rules 2001 - P.U. (A) 185 and (Deductions For Promotion of Export of Higher Education) (Amendment) Rules 2003 - P.U. (A) 261

We wish to inform members that the above guidelines and application forms are now available in the IRB's website at www.hasilnet.org.my.

Warm Regards,



Harpal Singh Dhillon

Honorary Secretary

18 October 2005

Circular No. 16/2005

TO ALL MEMBERS

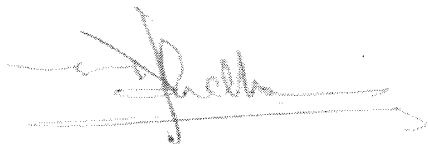
Estimate of Tax Payable under Section 107C

Under the recently announced 2006 Budget Proposals, with effect from Year of Assessment (YA) 2006, companies are now allowed to furnish estimates of tax payable for a year of assessment of:-

- not less than 85% of the revised estimate of tax payable for the immediate preceding year of assessment; or
- if no revised estimate is furnished, the estimate shall not be less than 85% of the estimate of tax payable for the immediate preceding year of assessment.

Based on clarifications by the Lembaga Hasil Dalam Negeri Malaysia (LHDNM) at recent seminars, the new provision may be applied with immediate effect. Taxpayers who wish to apply this provision would need to state the estimated tax payable for YA 2006 as well as the percentage of such tax over the previous year's estimate/revised estimate on the CP204 form i.e. on the space next to the words "Amaun Anggaran Cukai Yang Kena Dibayar". A copy of the LHDNM's letter dated 12 October 2005 is available at our website at www.mit.org.my.

Warm Regards,



Harpal Singh Dhillon

Honorary Secretary

25 November 2005

Circular No. 17/2005

TO ALL MEMBERS

1. Customs-Private Sector Consultative Panel 2/2005

The Royal Malaysian Customs is planning to have the Customs-Private Sector Consultative Panel meeting in December. As such, we would like to invite members to submit any issues pertaining to Indirect Taxation to the Institute so that an appropriate memorandum can be submitted for discussion at the said panel meeting.

Kindly direct your issues to the Institute via fax or e-mail (mohamedhafiz@mit.org.my) before 30 November 2005.

2. Public Rulings 4/2005 and 5/2005

We wish to inform members that the Lembaga Hasil Dalam Negeri Malaysia (LHDNM) has released the following Public Rulings: -

- Public Ruling No. 4/2005 on WITHHOLDING TAX ON SPECIAL CLASSES OF INCOME.

The Public Ruling is available for downloading from the LHDNM's website at

<http://www.hasilnet.org.my/melayu/pdf/KU04-2005.pdf> (Malay version)

<http://www.hasilnet.org.my/english/pdf/PR04-2005.pdf> (English version)

- Public Ruling No. 5/2005 on DEDUCTION FOR LOSS OF CASH AND TREATMENT OF RECOVERIES.

The Public Rulings are available for downloading from the LHDNM's website at

<http://www.hasilnet.org.my/melayu/pdf/KU0505.pdf> (Malay version)

<http://www.hasilnet.org.my/english/pdf/PR0505.pdf> (English version)

Both the above Public Rulings are also available at the Institute's website at <http://www.mit.org.my> (English version only).

3. New Administrative Procedures-Reminder Notice

Please note that from January 2006 all the Institute's Circulars and CPD Information will be sent out to members via e-mail only. This decision was made after taking into account the increasing costs of postage and the delay in delivery of important information to members. We urge those members who have not provided us with their e-mail addresses to do so immediately.

For members who have no access to internet service please inform the Secretariat in writing that you will require a hard copy of the circular/ event brochure to be sent to you. Please note that a service charge will be levied for this.

4. Relocation Notification

Please note that the Institute will be moving to its new premises at the following address: -

**Unit B-13-2 & Unit B-13-3,
Megan Avenue II,
No. 12 Jalan Yap Kwan Seng
50450 Kuala Lumpur**

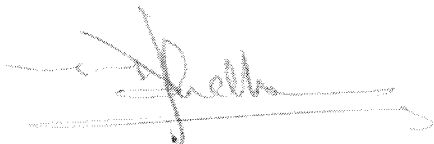
The relocation process is between the *15 to 30 December 2005*.

During the period of the relocation, members may encounter difficulty in contacting the Institute/Secretariat staff. In view of this, we would like to advise members to conduct any unresolved business with the Institute before the 15 December 2005 or alternatively get in touch with the Institute on or after 3 January 2006.

Any inconveniences caused are deeply regretted.

Further details regarding the relocation will be available on the Institute's website.

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'Harpal Singh Dhillon', is written over a horizontal line.

Harpal Singh Dhillon

Honorary Secretary

12 December 2005

Circular No. 18/2005

TO ALL MEMBERS

1. Estimate of Tax Payable under Section 107C

As informed in Circular 16/2005, with effect from Year of Assessment (YA) 2006, companies are allowed to furnish estimates of tax payable for a year of assessment: -

- of not less than 85% of the revised estimate of tax payable for the immediate preceding year of assessment; or
- if no revised estimate is furnished, the estimate shall not be less than 85% of the estimate of tax payable for the immediate preceding year of assessment.

According to the Lembaga Hasil Dalam Negeri (LHDN), taxpayers are required to state the estimated tax and indicate the percentage of such estimated tax over the previous year's estimate/revised estimate on the CP204 form in the space next to the words "Amaun Anggaran Cukai Yang Kena Dibayar". However, in LHDN's earlier letter dated 12 October 2005, there was an error in the example provided in the letter.

LHDN has now issued a letter dated 5 December 2005 to rectify the error. As members may have submitted CP204s based on the earlier example, the LHDN has verbally indicated that if taxpayers face any problems regarding this matter, they should discuss it with the LHDN. The LHDN has also informed that a new Form CP204 has been prepared for use from YA 2007 onwards. The new form may also be used for YA2006. However, if the old form is used for submitting the estimated tax liability for YA 2006, then the procedure as stated in the letters dated 12 October 2005 and 5 December 2005 has to be followed. A copy of the LHDN's letter dated 5 December 2005 is available on the Institute's website at www.mit.org.my in the Technical and Practice Statements section.

2. E-Filing for Forms C and R for year of Assessment 2005

Please be informed that the e-filing application for Forms C & R for Year of Assessment 2005 is now available at the LHDN's website at www.hasilnet.org.my

3. Public Rulings 6/2005

We wish to inform members that the LHDNM has released the following Public Ruling: -

- Public Ruling No. 6/2005 on TRADE ASSOCIATION

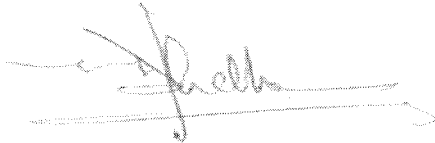
The Public Ruling is available for downloading from the LHDNM's website at:-

<http://www.hasilnet.org.my/melayu/pdf/KU6-2005.pdf> (Malay version)

<http://www.hasilnet.org.my/english/pdf/PR6-2005.pdf> (English version)

The above Public Ruling is also available at the Institute's website at <http://www.mit.org.my> (English version only).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Harpal Singh Dhillon', with a horizontal line drawn underneath it.

Harpal Singh Dhillon

Honorary Secretary