

TO ALL MEMBERS

TECHNICAL

Income Tax (Deduction for Participation in an Approved Career Fair) Rules 2012 - [P.U. (A) 129/2012]

Further to our [e-CTIM No.18/2012](#), the above Rules were gazetted on 7 May 2012 and shall have effect from the year of assessment 2012 until the year of assessment 2016.

The Rules stipulate that any outgoings and expenses incurred by a person resident in Malaysia with respect to his business in the basis period for a year of assessment, primarily or principally for the purpose of participating in an approved career fair, shall be allowed a deduction in ascertaining the adjusted income of its business, in addition to any deduction under Section 33 of the Income Tax Act 1967 (ITA). The claimant shall produce a letter from the [Talent Corporation Malaysia Berhad](#) confirming that the career fair is an approved career fair.

The **outgoings and expenses** eligible for deduction are expenses:-

- a) incurred in respect of travelling to a country outside Malaysia by that person or its representatives (not more than 3 persons in total) for the purpose of participating in approved foreign education fairs, subject to –
 - i) economy class air fare;
 - ii) a maximum of RM300 per day for accommodation; and
 - iii) a maximum of RM150 per day for sustenance.for the whole period commencing from departure from Malaysia and ending with return to Malaysia;
- b) incurred in respect of marketing and promotional materials including, but not limited to, pamphlets, prints or banners which contain specific information relating to the approved career fair;
- c) incurred in respect of payment made to the organiser of an approved career fair; and
- d) directly incurred for participating in the career fairs other than those specified in paragraphs (a), (b) and (c) above.

The deduction shall not be applicable where the outgoings, expenses or other payments incurred -

- are specified in Section 39(1) ITA;
- are by the person in a country in which it has a place of business and is subject to local tax.

Where, in the opinion of the Director General of Inland Revenue (DGIR), the amount which would have been allowed under these Rules exceeds the amount which would reasonably be expected to be incurred in the ordinary course of business, the DGIR may, to the extent of the excess, disallow a deduction under these Rules.

“approved career fair” means a career fair held outside Malaysia organized or endorsed by Talent Corporation Malaysia Berhad and approved by the Minister.

Disclaimer

This document is only meant for members of the Chartered Tax Institute of Malaysia (CTIM) only. Although the CTIM has taken all reasonable care in the preparation and compilation of the information contained in the CTIM e-circular, the Institute / each party providing the material displayed herein expressly disclaim all and any liability or responsibility to any person(s) for any errors or omissions in the contents of the CTIM e-circular or for anything done or omitted to be done by any such person in reliance whether wholly or partially, upon the whole or any part of the contents of the CTIM e-circular.