

e-CTIM TECH 106/2013

13 September 2013

TO ALL MEMBERS

TECHNICAL

Direct Taxation

[Guidelines on CP58 \(Addendum\)](#)

We refer to the Inland Revenue Board's (IRB) [Guidelines Relating to CP58](#) issued on 1 July 2013 and our [e-CTIM TECH 78/2013](#). The Technical Committee – Direct Taxation (I) had subsequently arranged for, and had, a dialogue with the IRB on 11 July 2013 to clarify the issues arising from the Guidelines.

Following the meeting, the IRB has issued an [Addendum](#) to the *Guidelines Relating to CP58* on 15 August 2013. The IRB has agreed that the following items will not be considered as cash incentives or non-cash incentives made to agents, dealers and distributors, and hence, the issue of Form CP58 for the following items is not applicable:

1. Appreciation Nights organised by a company in Malaysia to appreciate the contribution of agents, dealers or distributors who have achieved the targets set. The events may include Gala dinner, entertainment and accommodation provided to the invited agents, dealers or distributors.
2. Dinner or entertainment programmes provided by a company in Malaysia in conjunction with a festive celebration such as Hari Raya Puasa, Chinese New Year, Deepavali, Christmas, company anniversary and other festivals.
3. A convention organised specially for agents such as leadership training session, management session and other activity for the purpose of increasing sales, and it is not part of a program or travel package in Malaysia, which is considered as a non-cash incentive, provided that the convention, training or other event is held in Malaysia.

Members may view the [Addendum](#) at the websites of the Institute and the IRB.

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