

From: Mohammed Noor Ahmad [<mailto:mnoor@HASIL.GOV.MY>]

Sent: Friday, 16 January, 2015 2:52 PM

To: Vee Kean

Cc: Mohamad Nizar Mokhtar; Aruljothi; Salamattunnajan Besah; Nor Azam Mohamad; Saw Guat Eim; Ooi Chooi Peng

Subject: RE: Kenyataan Media LHDNM Bertarikh 12 Januari 2015 (Isnin) : Pemencaran Fail-Fail Cukai Pendapatan Berikutan Penubuhan Cawangan Pembayar Cukai Besar (CPCB) Dan Unit Pembayar Cukai Besar (UPCB) - Request for clarification

Thank you for your email.

Kindly be informed that the replies are as follow:-

1. Classification of taxpayers according to the criteria set-out in the table in the Media Release

Would the classification of taxpayer as "Large taxpayer" or otherwise be determined by LHDNM and communicated to taxpayers, and subsequent changes to the classification dealt with in the same way by the LHDNM? Would the classification of the taxpayer be required to be stated on the relevant return forms C, B or BE?

Answer:

Yes, classification and subsequent reclassification of taxpayers as Large Taxpayers or otherwise is determined by LHDNM and the taxpayers will be informed via email or by letter (if no email address).

At the moment there no such requirement to state the classification on the returns.

2. Companies with transactions with related companies outside Malaysia

Based on the Media Release, income tax files of companies which have transactions with related companies outside Malaysia exceeding a certain threshold will be managed by the *Cawangan Cukai Multinasional (CCM)*. Please advise us on the quantum of the threshold.

Answer:

The files allocated to Cawangan Cukai Multinasional (CCM) is currently based on the threshold stated in the scope of Transfer Pricing Guidelines 2012. Nevertheless, the threshold may change from time to time as required.

3. Filing of Real Property Gains Tax (RPGT) returns by companies which are classified as *Pembayar Cukai Besar*

The Media Release is silent on where the RPGT returns by companies which are classified as *Pembayar Cukai Besar* are to be filed. Please confirm our understanding that the RPGT returns by companies which are classified as *Pembayar Cukai Besar* should be filed at the *Cawangan Pembayar Cukai Besar (CPCB)*.

Answer:

Yes, the RPGT file of the Large Taxpayer would follow the Income Tax assessment file to the Large Taxpayers Branch.

4. Effective date of the new classification of taxpayers

Please confirm that the effective date of the new classification of taxpayers is 1 January 2015. On the basis that the above classification is already effective, we look forward to the LHDNM's urgent reply to our enquiries above to enable us to advise our members accordingly. This would be especially relevant for the filing of RPGT returns based on the classification of taxpayers as these returns are still being filed manually.

Answer:

The exercise to classify the taxpayers' files according to the respective branches is done in stages starting 1 January 2015 and is expected to be completed by end of the January 2015. The taxpayers would be informed via email or letter accordingly. Thus the RPGT returns should be filed at the branches handling the income Tax assessment files. Should the RPGT returns being filed at the previous branch, the receiving branch would send the returns to the correct branch.