

Minutes of the Meetings held on **16 February 2007, 27 February 2007 and 7 March 2007** between LHDNM and the Professional Bodies at Kompleks Bangunan Kerajaan Jalan Duta, Kuala Lumpur, on matters pertaining to the Form BE for the Y/A 2006.

1. The LHDNM has met with various Professional Bodies and software vendors over the past month to discuss suitable procedures for the preparation and filing of the individual tax return forms i.e. form BE.

2. *E-FILING*

Client's Pin Number

Tax Agents may request on behalf of their clients the pin number required for e-filing.

For security reasons, LHDNM will need to verify and approve this request. To do so LHDNM will require the Tax Agent to submit a formal letter setting out the name, NRIC number and income tax number of their clients (as well as old and new passport numbers for expatriate clients). With this, the Tax Agent will have to enclose an authorisation letter from the clients / taxpayer stating that the said Tax Agent has been engaged and authorised to request for the pin number on behalf of the said client and that further the Tax Agent will be e-filing on behalf of the said client.

Where this is not possible (i.e. for individual employees who are away or at different locations), the employers who co-ordinate the tax matters of the employees can issue such a letter.

LHDNM will provide a standard format for the authorisation letter shortly. LHDNM will also provide Tax Agents with a list of information to be included in the Tax Agents letter requesting for their clients pin number.

Printing of e-filing tax return in draft format.

Currently, the e-filing system does not allow for the printing of the tax return prior to filing. In view of the need for Tax Agents to obtain their clients consent before e-filing the return forms, the LHDNM has agreed to make available the facility for printing the tax return in draft format. This facility will be ready for testing on Monday, 12 March 2007.

Printing of e-filing tax return – final version.

Upon the electronic transmission of the tax return, the acknowledgment that tax payers receive will be treated as a prescribed form by the LHDNM.

3. ***Other methods of completing and filling (E-filling) Form B/BE***

1) Hard Copy - Physical tax return forms

It is the practice for the LHDNM to send the physical tax return forms to all taxpayers by post. Taxpayers who have yet to receive the form may request for a copy at the nearest LHDNM branch.

Tax Agents also may collect the hard copy of the tax return forms on behalf of their client from the nearest LHDNM branch.

2) Form BE in Excel format

LHDNM will prepare the BE form in Microsoft excel format, which is expected to be ready for release by next Friday (16 March 2007). This version of the return form will be made available to Tax Agents only. Tax Agents may request for the soft copy of the form from LHDNM.

3) Tax software

For Tax Agents using tax software, they must ensure that the format used by the software provider is authorised by the LHDNM.

Though Tax Agents are not required to file the soft copy in “txt format”, however, the soft copy version in “txt format” serves as a back-up and will expedite the processing of the return form.

Tax Agents who wish to submit a soft copy version of the return forms in “txt format” together with a hard copy are required to submit to LHDNM hard copies of the return forms in batches of 25 return forms accompanied by soft copies of the said forms which may be in a diskette or compact disc.

In the event that any one of the hard copy / soft copy of the return forms in the batch is rejected by the LHDNM, the Tax Agent must re-submit the return form in the next batch.

Should there be a corruption of data in the soft copy, a hardcopy submitted on time will be accepted as valid and no penalty for late filing will be imposed. However, the Tax Agent is obliged to provide the LHDNM with the proper and correct version of the soft copy as soon as possible

4. ***Miscellaneous issues***

- (i) Acknowledgement of receipt of the return form by LHDNM will only be given on the accompanying cover letter and will be marked “without prejudice”. This acknowledgement will only indicate that LHDNM has received return forms of the Tax Agents clients as specified on the cover letter but does not vouch for the accuracy of the data in the said return form(s). Please note that such acknowledgement will only be available for forms submitted at Pandan Indah. In the event that there are too many return forms filed at the same time the LHDNM may require a couple of days to process the acknowledgement of receipt.

Note: Tax agents are required to submit their return forms at Pandan Indah.

(ii) Extension of time

It was agreed that if for any reason more time is required to facilitate the filing of form B / BE, the relevant parties would meet to discuss the matter further.