

B7 PERSONAL RELIEFS

PERSONAL RELIEFS

	<i>w.e.f.</i> Y/A 2019 RM	<i>w.e.f.</i> Y/A 2020 RM	<i>w.e.f.</i> Y/A 2021 RM	<i>w.e.f.</i> Y/A 2022 RM	<i>w.e.f.</i> Y/A 2023 RM	<i>w.e.f.</i> Y/A 2024 RM	
Taxpayer	9,000	9,000	9,000	9,000	9,000	9,000	
Medical expenses for parents (max)	5,000	5,000	8,000	8,000	8,000	8,000	(Note 1)
Medical expenses for taxpayer, spouse and children on serious diseases [including RM1,000 each for medical examination expenses (max), and vaccination expenses (max), RM4,000 for learning disability diagnosis and early intervention expenditure or rehabilitation treatment of learning disability and RM1,000 for dental examination and treatment expenses]	6,000	6,000	8,000	8,000	10,000	10,000	(Note 2)
Disabled person (further deduction):							
• Taxpayer	6,000	6,000	6,000	6,000	6,000	6,000	
• Spouse	3,500	3,500	5,000	5,000	5,000	5,000	
Supporting equipment for disabled taxpayer, spouse, children or parent (max)	6,000	6,000	6,000	6,000	6,000	6,000	(Note 13)
Wife — if she has no source of income or elects for combined assessment	4,000	4,000	4,000	4,000	4,000	4,000	(Note 15)
Husband — if he has no source of income or elects for combined assessment	4,000	4,000	4,000	4,000	4,000	4,000	(Note 15)

	w.e.f. Y/A 2019 RM	w.e.f. Y/A 2020 RM	w.e.f. Y/A 2021 RM	w.e.f. Y/A 2022 RM	w.e.f. Y/A 2023 RM	w.e.f. Y/A 2024 RM	
Children (claimed by either husband or wife):							
• per child (below 18 years of age)	2,000	2,000	2,000	2,000	2,000	2,000	(Note 17)
• disabled child (unmarried)	6,000	6,000	6,000	6,000	6,000	6,000	(Note 14)
• per child (over 18 years of age)	8,000	8,000	8,000	8,000	8,000	8,000	(Note 3)
– overseas universities, colleges or similar establishments	8,000	8,000	8,000	8,000	8,000	8,000	
– local universities, colleges or similar establishments	8,000	8,000	8,000	8,000	8,000	8,000	
– disabled child pursuing tertiary education	8,000	8,000	8,000	8,000	8,000	8,000	
Life insurance premiums/Approved fund contributions/Private pension funds:							
• Taxpayer (max)	–	–	–	–	–	–	(Note 4)
• Further deduction for amount paid by wife under combined assessment (max)	–	–	–	–	–	–	
Private retirement scheme/Deferred annuity scheme premium:							
• Taxpayer (max)	3,000	3,000	3,000	3,000	3,000	3,000	(Note 5)
• Further deduction for amount paid by wife under combined assessment (max)	–	–	–	–	–	–	
Insurance premiums for education or medical benefits:							
• Taxpayer (max)	3,000	3,000	3,000	3,000	3,000	3,000	
• Further deduction for amount paid by wife under combined assessment (max)	–	–	–	–	–	–	
Fees for acquiring technical, vocational, industrial, scientific, technological, legal, accounting or Islamic financing qualifications at tertiary level or any course of study at post graduate level (max)	7,000	7,000	7,000	7,000	7,000	7,000	(Note 6)

	w.e.f. Y/A 2019 RM	w.e.f. Y/A 2020 RM	w.e.f. Y/A 2021 RM	w.e.f. Y/A 2022 RM	w.e.f. Y/A 2023 RM	w.e.f. Y/A 2024 RM	
Purchase of books, journals, magazines and other similar publications (excluding newspaper or banned publications) for the use of taxpayer, spouse or children	–	–	–	–	–	–	(Note 19)
Purchase of computer	–	–	–	–	–	–	(Note 7) (Note 19)
Amount deposited into <i>Skim Simpanan Pendidikan Nasional</i> for taxpayer's child (max)	8,000	8,000	8,000	8,000	8,000	8,000	(Note 8)
Purchase of sports equipment	–	–	–	–	–	–	(Note 9) (Note 19)
Interest paid on housing loans	–	–	–	–	–	–	(Note 10)
Broadband subscription fees	–	–	–	–	–	–	(Note 11) (Note 19)
Special tax relief for middle income taxpayers	–	–	–	–	–	–	(Note 12)
Parental care:							
• Father	1,500	1,500	–	–	–	–	(Note 16)
• Mother	1,500	1,500	–	–	–	–	
Social Security Organisation (SOCSO) Scheme	250	250	250	350	350	350	(Note 18)
Lifestyle	2,500	2,500	2,500	2,500	2,500	2,500	(Note 19)
Breastfeeding equipment	1,000	1,000	1,000	1,000	1,000	1,000	(Note 20)
Fees paid to child care centres and kindergartens	1,000	3,000	3,000	3,000	3,000	3,000	(Note 21)
Approved provident fund contributions (obligatory or voluntary)	4,000	4,000	4,000	4,000	4,000	4,000	(Note 4)
<i>Takaful</i> or payment of life insurance or voluntary contribution to approved provident fund:							
• Taxpayer (private/public sector/self-employed)	3,000	3,000	3,000	3,000	3,000	3,000	(Note 4)
• Taxpayer (public sector)	7,000	7,000	7,000	7,000	3,000	3,000	
Purchase of handphones, notebooks or tablets							
• Taxpayer	–	2,500	2,500	2,500	–	–	(Note 22)

	w.e.f. Y/A 2019 RM	w.e.f. Y/A 2020 RM	w.e.f. Y/A 2021 RM	w.e.f. Y/A 2022 RM	w.e.f. Y/A 2023 RM	w.e.f. Y/A 2024 RM	
Qualifying domestic travel expenses							
• Taxpayer	–	1,000	1,000	1,000	–	–	(Note 23)
Purchase of sports equipment, rental/entry fees for sports facilities and registration fees in sports competition							
• For the use of taxpayer, spouse or children	–	–	500	500	500	1,000	(Note 24)
Tax relief for electronic vehicle (EV)							
• Amount incurred for the payment of installation, rental, purchase including hire-purchase of equipment or subscription fees for use of EV charging facility	–	–	–	2,500	2,500	2,500	(Note 25)

Explanatory notes

1. With effect from Y/A 2011, the tax relief for medical treatment for the taxpayer's own parents is extended to include expenses to care for parents. These expenses relate to care provided through a carer, for parents who suffer from diseases, physical or mental disabilities and need regular treatment certified by a qualified medical practitioner. Such treatment and care provided include treatment and care at home, day care centres or home care centres. The claims must be evidenced by a medical practitioner certifying that the medical condition of the parent requires medical treatment or the parent has special needs.

With effect from Y/A 2021, this relief is increased to RM8,000.

With effect from Y/A 2024, this relief is expanded to include complete medical examination for parents of up to RM1,000.

2. With effect from Y/A 2001, relief for medical expenses for taxpayer, spouse and children includes complete medical examination expenses of up to RM500. With effect from Y/A 2015, the relief for medical expenses for taxpayer, spouse and children on serious diseases is increased to RM6,000. With effect from Y/A 2020, the relief for medical expenses is expanded to include the cost of fertility treatment for taxpayer or spouse.

With effect from Y/A 2021, this relief is increased to RM8,000 and includes an increase in complete medical examination of up to RM1,000. Further, the scope of tax relief for medical treatment expenses is expanded to include vaccination expenses of up to RM1,000 for taxpayer, spouse and child. The vaccines eligible for the tax relief are:

- (a) Pneumococcal;
- (b) Human Papillomavirus (HPV);
- (c) Influenza;
- (d) Rotavirus;
- (e) Varicella;
- (f) Meningococcal;

- (g) TDAP combination (tetanus-diphtheria-acellular pertussis); and
- (h) Coronavirus Disease 2019 (COVID-19).

On 18 January 2021, under the *Perlindungan Ekonomi & Rakyat* (PERMAI) Assistance Package, the scope of relief for medical check-up of RM1,000 is expanded to include COVID-19 screening tests.

With effect from Y/A 2022, the scope of relief for medical examination for taxpayer, spouse or child is expanded to include:

- (a) COVID-19 detection tests, as evidenced by receipts issued by a hospital or a medical practitioner registered with the Malaysian Medical Council or receipts for the purchase of COVID-19 self-detection test kits; and
- (b) Mental health examination or consultation as evidenced by receipts issued by a hospital, a psychiatrist within the meaning of S. 2 of the Mental Health Act 2001, a clinical psychologist registered with the Malaysian Allied Health Professions Act 2016 or a counsellor registered with the Board of Counsellors under the Counsellors Act 1998.

With effect from Y/A 2023, the relief is increased to RM10,000 and the scope of the relief is expanded to include the following expenses (up to a maximum of RM4,000) in respect of the taxpayer's child who is of age 18 and below:

- (a) Assessment for the purpose of diagnosis of learning disability certified by a medical practitioner registered with the Malaysian Medical Council; or
- (b) Early intervention programme or rehabilitation treatment for learning disability conducted by an allied health practitioner in the field of learning disability registered under the Allied Health Professions Act 2016.

Both expenses shall be evidenced by receipts and certification issued by the registered medical practitioner or registered allied health practitioner in Malaysia.

Assessment in respect of diagnosis, early intervention programme or rehabilitation treatment which qualifies for deduction are for the following learning disabilities:

- (a) Autism Spectrum Disorder;
- (b) Attention Deficit Hyperactivity Disorder;
- (c) Global Developmental Delay;
- (d) Intellectual Disability;
- (e) Down Syndrome; and
- (f) Specific Learning Disability

With effect from Y/A 2024, the scope of relief for medical expenses for taxpayer, spouse and children is also expanded to cover dental examination and treatment expenses up to RM1,000 from dental practitioners registered with the Malaysian Dental Council.

3. With effect from Y/A 2013, an unmarried child over 18 years old receiving full time education at a recognised local institution of higher learning at diploma level and above, or serving under articles/indentures with the view to qualifying in a trade or profession, is eligible for a relief of RM6,000. If the child is receiving full time education at a recognised institute of higher learning outside Malaysia, it must be an award at degree level and above. The second addendum to Public Ruling 2/2005 on Computation of Income Tax Payable by a Resident Individual dated 3 January 2009 provides that a taxpayer is only entitled to the child relief if the child pursues a study in courses and educational establishments

recognised by the Government of Malaysia. The courses and universities recognised by the Government are available in the website of the Public Service Department (www.jpa.gov.my).

With effect from Y/A 2016, this relief is increased to RM8,000.

4. For Y/A 2010 and Y/A 2011, the relief is increased from RM6,000 to RM7,000. The increased relief amount of RM1,000 is given solely on deferred annuity scheme premiums paid to insurance companies contracted with effect from 1 January 2010. The increased relief amount is also applicable to additional premiums paid on existing deferred annuity schemes commencing payment from 1 January 2010. With effect from Y/A 2011, the relief of RM6,000 on contributions made for life insurance premiums and/or approved fund contributions is extended to include contributions made to the Private Pension Fund launched by the Government in 2012.

With effect from Y/A 2012, the tax relief for deferred annuity premiums is combined with the relief for contributions to private retirement schemes that are approved by the Securities Commission of Malaysia. The relief of RM6,000 will only be applicable to contributions made for life insurance premiums and/or approved schemes other than a private retirement scheme.

With effect from Y/A 2019, the tax relief for contributions to approved provident funds and life insurance premiums is separated. Relief of up to RM4,000 is given on contributions to approved provident funds such as the Employees Provident Fund (EPF). In addition, payments for *takaful* or life insurance premiums are eligible for a tax relief of up to RM3,000. The total relief for the above should not exceed RM7,000.

With effect from Y/A 2022, this relief is extended to include voluntary contributions (e.g. from individuals who are self-employed and retired public sector employees).

With effect from Y/A 2023, to further encourage voluntary contribution to increase savings in preparation for old age, the tax relief for life insurance premium or *takaful* contribution amounting to RM3,000 is expanded to cover additional voluntary contribution to EPF. This tax relief is applicable to civil servants under the pension scheme, self-employed individuals and employed individuals. However, the voluntary EPF contribution relief of RM3,000 should not include the same portion made under approved provident fund contributions. Further, the income tax relief on insurance premiums (up to a maximum of RM7,000) for civil servants will no longer be applicable.

5. With effect from Y/A 2012, relief of RM3,000 is given on contributions made by individuals to private retirement schemes approved by the Securities Commission of Malaysia and deferred annuities. This is applicable from Y/A 2012 to Y/A 2025.
6. With effect from Y/A 2001, relief is available for fees expended on courses at institutions of higher learning in Malaysia (up to tertiary level) for the purpose of acquiring technical, vocational, industrial, scientific or technological skills or qualifications. With effect from Y/A 2006, the relief has been extended to include any course of study up to tertiary level in any institution or professional body in Malaysia recognised by the Government or approved by the Ministry of Finance, as the case may be, undertaken for the purpose of acquiring legal, accounting skills or qualifications.

With effect from Y/A 2007, the relief has been extended to include courses in Islamic Financing.

With effect from Y/A 2008, the relief has been extended to any course of study for a degree at Masters and Doctorate levels.

With effect from Y/A 2016, this relief is increased to RM7,000.

With effect from Y/A 2021, this relief is expanded to cover fees for any course of study undertaken for the purpose of up-skilling and self-enhancement. The course has to be conducted by a body recognised

by the Director General of Skills Development under the National Skills Development Act 2006. The tax relief is limited to RM1,000 for Y/A 2021.

With effect from Y/A 2022, the relief for courses of study undertaken for the purpose of up-skilling and self-enhancement is increased to RM2,000, this is only applicable for Y/A 2022 and Y/A 2023. This relief is further extended to Y/A 2026 (Budget 2024)

7. With effect from Y/A 2007, the relief for the purchase of a computer of up to RM3,000 is given once every 3 years. In the case of separate assessment, each spouse is eligible to claim the relief. In the case of a combined assessment, such expense is deemed to be incurred by the spouse who pays income tax.
8. With effect from Y/A 2012, relief of up to RM6,000 is given for amounts deposited into *Skim Simpanan Pendidikan Nasional* established under the Perbadanan Tabung Pendidikan Tinggi Nasional Act 1997 for the taxpayer's child. This is applicable from Y/A 2012 to Y/A 2020 (Budget 2018). This relief has been extended for another 2 years, from Y/A 2021 to Y/A 2022 (Budget 2021). This relief is proposed to be further extended for another 2 years, from Y/A 2023 to Y/A 2024 (Budget 2023).

With effect from Y/A 2019, this relief is increased to RM8,000.

9. The relief is in respect of purchase of sports equipment for any sport activities as defined under the Sports Development Act 1997. Sports equipment does not include attire and shoes. The claim for the relief must be evidenced by a receipt issued for the purchase.
10. With effect from Y/A 2009, relief of up to RM10,000 a year is given for 3 consecutive years from the first year the housing loan interest is paid. The claim for deduction is subject to the following conditions:
 - (a) The taxpayer is a Malaysian citizen and a resident;
 - (b) Limited to 1 residential house including a flat, an apartment or a condominium;
 - (c) The sale and purchase agreement is executed between 10 March 2009 and 31 December 2010; and
 - (d) The taxpayer has not derived any income in respect of that residential property.

Where:

- (a) 2 or more taxpayers are each entitled to claim deduction in the relevant year for interest expended in respect of the same residential property; and
- (b) The total amount of interest expended by the taxpayer in the basis period for the relevant year exceeds the amount of deduction allowable for that relevant year,

each taxpayer shall be allowed, for that relevant year, an amount of deduction to be determined in accordance with the following formula:

$$A \times \frac{B}{C}$$

where:

- A is the total amount of deduction allowed for that relevant year;
- B is the total interest expended in the basis year for that relevant year by that taxpayer; and
- C is the total interest expended in the basis year for that relevant year by all such taxpayers.

11. Based on the Inland Revenue Board's (IRB's) guidelines issued on 12 April 2011, with effect from Y/A 2010 until Y/A 2012, relief of up to RM500 per year was given on broadband subscription fees. The RM500 relief was given for fees paid for internet connection via cable or Digital Subscriber Line with the speed of 256kbps or more, but not for fees paid for dialup service (56kbps) for internet connection. The

fees must have been paid by individuals for broadband subscriptions registered under their personal names in the basis period for a Y/A.

12. The relief of RM2,000 was provided to resident middle income taxpayers earning up to RM8,000 a month (aggregate income of up to RM96,000 per annum). This was applicable for Y/A 2015 only.
13. With effect from Y/A 2015, the relief for expenses incurred for basic supporting equipment for a disabled taxpayer, spouse, child and parent is increased to RM6,000.
14. With effect from Y/A 2015, the relief for a disabled child is increased to RM6,000.
15. With effect from Y/A 2016, the relief for a spouse with no source of income or a spouse who elects for combined assessment is increased to RM4,000.
16. With effect from Y/A 2016 until Y/A 2020, relief of RM1,500 is given for a father and a mother respectively. This relief can be shared with other siblings, provided that the total relief claimed did not exceed RM1,500 for each parent. The taxpayer was allowed to claim this relief subject to the following conditions:
 - (a) The taxpayer did not claim the relief for expenses incurred on the medical treatment and care of parents;
 - (b) The parents were the taxpayer's legitimate natural parents or foster parents in accordance with the respective law subject to a maximum of 2 persons;
 - (c) The parents were aged 60 years and above;
 - (d) The parents were resident in Malaysia in the relevant Y/A; and
 - (e) Each parent had an annual income not exceeding RM24,000 per annum.
17. With effect from Y/A 2016, the relief for each child below 18 years of age is increased to RM2,000.
18. With effect from Y/A 2016, relief of RM250 is given for an employee's contribution to the SOCSO scheme. With effect from Y/A 2022, this relief is increased to RM350. The scope for this relief is also expanded to include employee's contribution to Employment Insurance System (EIS).
19. With effect from Y/A 2017, the tax relief for the purchase of reading materials, purchase of sports equipment, purchase of computer and subscription for broadband internet is replaced with a revised relief of RM2,500, which will include the following:
 - (a) Purchase of books, journals, magazines, printed daily newspapers and other similar publications (excluding banned publications);
 - (b) Purchase of sports equipment for sports activities as defined under the Sports Development Act 1997;
 - (c) Purchase of computer, smartphone or tablet;
 - (d) Subscription for broadband internet; and
 - (e) Gymnasium membership fee.

With effect from Y/A 2021, the scope of relief is expanded to include subscription for electronic newspapers.

With effect from Y/A 2024, the scope of relief is expanded to cover fees incurred to participate in self skills enhancement courses such as language, photography and sewing courses. However, the lifestyle relief scope has been restructured to remove purchase of sports equipment and gymnasium membership fees.

20. With effect from Y/A 2017, relief of up to RM1,000 is given for the purchase of breastfeeding equipment. This tax relief is applicable to working women with children aged up to 2 years and can be claimed once every 2 years.
21. With effect from Y/A 2017, relief of up to RM1,000 is given for individual taxpayers who enroll their children up to 6 years of age, in child care centres or kindergartens registered with the Department of Social Welfare or the Ministry of Education. This tax relief can be claimed by either parent of the children.
With effect from Y/A 2020, this relief is increased to RM3,000. This increment is applicable for Y/A 2020 and Y/A 2021 (Budget 2021). This increment is further extended to Y/A 2023 (Budget 2022) and Y/A 2024 (Budget 2023).
22. A special tax relief of up to RM2,500 is given for the purchase of smartphone, personal computer or tablet (not being used for own business) for the taxpayer's own use or for the use of the spouse or child in addition to the existing lifestyle relief. This additional relief is available for purchases made between 1 June 2020 and 31 December 2020, provided that the total amount claimed under the special tax relief has not been claimed under the lifestyle tax relief. This relief is extended to cover purchases made between 1 January 2021 to 31 December 2021 as proposed under the PERMAI Assistance Package announced on 18 January 2021 and extended by another year to cover purchases made between 1 January 2022 to 31 December 2022 (Budget 2022).
23. The relief of RM1,000 is given for the payment of the following expenditure made on or after 1 March 2020 but no later than 31 December 2021:
- (a) Accommodation at premises registered with the Commissioner of Tourism under the Tourism Industry Act 1992; and
 - (b) Entrance fees to a tourist attraction.
- This relief is applicable for Y/A 2020 and Y/A 2021 (Budget 2021). This relief has been extended for another year to Y/A 2022 (Budget 2022). The scope of this relief is expanded to include the purchase of domestic tour packages from travel agents registered with Commissioner of Tourism under the Tourism Act 1992 made on or after 1 January 2021 but no later than 31 December 2022.
24. An additional relief limited to RM500 is given to a resident individual taxpayer for the taxpayer's own use or for the use of the spouse or child for the following:
- (a) Cost of purchasing sports equipment for any sports activity as defined under the Sports Development Act 1997;
 - (b) Rental or entrance fees to any sports facilities; and
 - (c) Registration fees for any sports competitions where the organiser is approved and licensed by the Commissioner of Sports under the Sports Development Act 1997.
- The taxpayer is allowed to claim this relief in addition to the existing lifestyle relief, provided that the total amount claimed under this relief has not been claimed under the existing lifestyle tax relief.
With effect from Y/A 2024, this tax relief has been restructured to include purchase of sports equipment and gymnasium membership fees, which were removed from the lifestyle relief. The relief has also been increased to up to RM1,000 and expanded to include training fees imposed by associations/ sports clubs/ companies registered with the Commissioner of Sports or Companies Commission of Malaysia and sports activities listed under the Sports Development Act 1997.
25. With effect from Y/A 2022 until Y/A 2023, relief of up to RM2,500 is given for the payment of installation, rental, purchase including hire-purchase of equipment or subscription for use of EV charging facility for the taxpayer's own vehicle and not being used for the purposes of the taxpayer's own business as evidenced by receipts issued in respect of the payment made.
This relief has been further extended to cover Y/A 2024 to Y/A 2027 (Budget 2024).

EXPENSES CLAIMED AGAINST EMPLOYMENT INCOME

A person earning employment income can claim expenses incurred in the performance of work such as:

- (a) Travelling expenses which are incurred by the individual in the course of exercising his/her duties as an employee against the traveling allowance;
- (b) Annual subscription paid to professional bodies when membership to such bodies is relevant to the performance of duties; and
- (c) Entertainment expenses which are incurred by the individual in entertaining existing clients on behalf of the employer. However, this is limited to the amount of entertainment allowance paid by the employer.

DONATIONS (IN CASH OR IN KIND) TO APPROVED FUND, SOCIAL ENTERPRISE AND WAKAF OR ENDOWMENT TO APPROPRIATE RELIGIOUS AUTHORITY, BODY OR PUBLIC UNIVERSITY

Generally, a person is allowed a deduction against his/her aggregate income, on any gift of money or in kind made by him/her in a basis period for that Y/A to the Government, a State Government, a local authority, an institution or organisation approved for the purpose of S. 34(6)(h) and 44(6) of the Income Tax Act 1967 by the Director General upon the application of the institution, organisation or social enterprise concerned. However, this is provided that the amount to be deducted from the aggregate income of a person other than a company in respect of any gift of money made to any approved institution, organisation or social enterprise does not exceed 7% (with effect from Y/A 2007) of the person's aggregate income. With effect from Y/A 2020, it is proposed that the amount to be deducted from the person's aggregate income does not exceed 10% and the scope of the deduction be expanded to include *wakaf* or endowment made to an appropriate religious authority, body or public university. With effect from Y/A 2024, it is proposed that the scope of deduction be expanded to include approved institutions, organisations or funds that provide educational programs, including sports education.

TAX DEDUCTION FOR AMANAH SAHAM NASIONAL BERHAD UNIT TRUST HOLDERS

The fourth strategy in Budget 2021 represents prioritising the inclusiveness agenda and one of the measures is upholding the Islamic Tenets. Under this measure, Permodalan Nasional Berhad (PNB) through Amanah Saham Nasional Berhad (ASNB), will introduce *wakaf* services to all ASNB unit trust holders. Under this service, unit holders can endow some of their units into the ASNB *wakaf* fund and be eligible for an income tax deduction. Returns from the *wakaf* fund will be channelled to the *wakaf* projects of national interest that will be identified by PNB.

SEPARATE ASSESSMENT

Separate assessment for wife's income from all sources and allowing the wife to elect for combined assessment with her husband

Y/A 1991 onwards

Separate assessment for wife's income from all sources and allowing the husband to elect for combined assessment with his wife

Y/A 2001 onwards