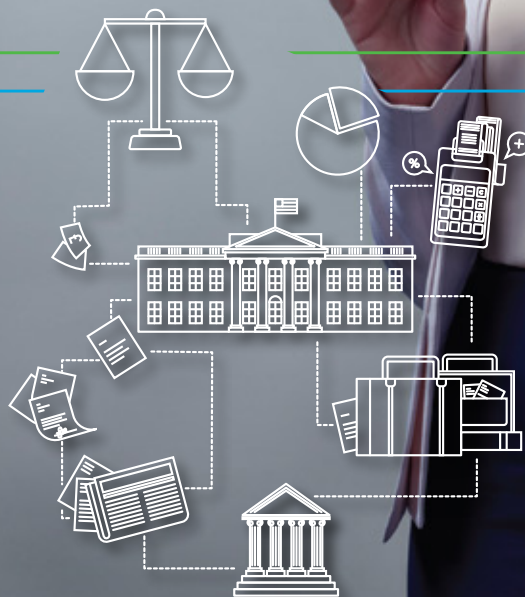


eNewsletter 09/2021

FREQUENTLY ASKED QUESTIONS ISSUED BY INLAND REVENUE BOARD



FREQUENTLY ASKED QUESTIONS ISSUED BY INLAND REVENUE BOARD

The Inland Revenue Board (IRB) has recently issued the following frequently asked questions (FAQ):

- FAQ on 2 June 2021 in relation to the administration of taxation matters during the MCO 3.0 (Updated on 8 June 2021); and
- FAQ on deferment of payment of estimated tax payable (CP204) and instalment scheme (CP500) from 1 April 2021 to 31 December 2021 under PEMERKASA

We summarise below the key points in the FAQs.

FAQ on 2 June 2021 in relation to the administration of taxation matters during the MCO 3.0 (Updated on 8 June 2021)

A. Extension of time granted by the IRB and/or consideration given by IRB

1. Extension of time for submission of income tax return forms (RF)

For the submission deadline of Form e-C for companies, no further extension of time is granted. The grace period of **1 month** remains as stated in the previously issued RF Filing Programme for the year 2020 / 2021, as illustrated below: –

| Companies with accounting period ended | Grace period for submission of RF |
|--|-----------------------------------|
| ▪ 31 October 2020 | ▪ 30 June 2021 |
| ▪ 30 November 2020 | ▪ 31 July 2021 |
| ▪ 31 December 2020 | ▪ 31 August 2021 |
| ▪ 31 January 2021 | ▪ 30 September 2021 |
| ▪ 28 February 2021 | ▪ 31 October 2021 |
| ▪ 31 March 2021 | ▪ 30 November 2021 |
| ▪ 30 April 2021 | ▪ 31 December 2021 |

However, for other classes of taxpayers carrying on a business that are required to submit the following types of RFs for the Year of Assessment 2020, IRB has extended the deadline to **31 July 2021**: –

- Resident Individuals (Form e-B / B / e-BT / BT)
- Partnerships (Form e-P / P)
- Non-Resident Individuals (Form e-M / M / e-MT / MT)
- Associations (Form e-TF / TF)
- Deceased Person's Estate (Form e-TP / TP)
- Hindu Joint Family (Form TJ)



2. Extension of time for submission of CP500 and CP204 amendment forms where the due date falls in June 2021

Extension of time is granted until **31 July 2021** for the submission of: –

- Application form for amendment to instalment payments (CP502) for individual taxpayers carrying on business; and
- Form for revision of estimated tax payable in the 6th and/or 9th month of the basis period for a year of assessment (CP204A) for Companies.

3. Extension of time for submission of CP204 and CP204B forms where the due date falls in June 2021

Extension of time is granted until **31 July 2021** for the submission of: –

- Form for estimate of tax payable (CP204); and
- Form for notification of change of accounting period (CP204B), which is submitted via post or courier.

4. Extension of time for submission of Country-by-Country Reporting where the due date falls within the MCO 3.0 period

The application can be submitted in writing to the Department of International Taxation and the IRB will consider the appeal based on the merits of each case.

5. Extension of time for submission of documents in relation to tax audit/ investigation or feedback to IRB's letters within the MCO 3.0 period

The application can be submitted by letter or e-mail to the IRB branch which handles the taxpayer's case and the IRB will consider the appeal based on the merits of each case.

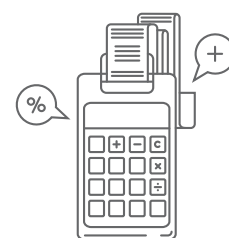
6. Extension of time for submission of Notice of Appeal to the Special Commissioners of Income Tax (SCIT) [Form Q] where the due date falls within the MCO 3.0 period

Taxpayers which require the extension of time are required to file the prescribed Form N and state that the delay is due to the implementation of MCO 3.0.

The Form N can be submitted to the IRB branch which handles the taxpayer's case and the IRB will consider the appeal based on the merits of each case.

7. Submission of Form CP22 due within the MCO 3.0 period

The form can be submitted through Customer Feedback Form at this [link](#).



8. Application for e-Residence

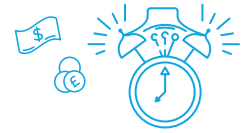
If the e-Residence cannot be used as supporting documents for the taxpayer to enjoy the benefit of the Double Taxation Agreement, the taxpayer may make an appointment with the IRB or email to lhdn_int@hasil.gov.my.

Further information can be obtained from this [link](#).

9. Application for tax clearance letter (SPC) be made during the MCO 3.0 period

The application can be made through the following methods:

- e-SPC at any time; or
- Customer Feedback System at this [link](#).



For the submission of RF which does not have the e-Filing facility, the form can be submitted by post or appointment only.

The application for SPC will only be processed after the IRB received complete documents and information.

10. Extension of time for submission of Real Property Gains Tax (RPGT) return forms where the due date falls in June 2021

Extension of time is granted until **31 July 2021**.

The IRB will also consider appeals on RPGT penalties based on the merits of each case.

11. Extension of time for documents that are unable to be stamped for Stamp Duty during the MCO 3.0 period

The appeal must be made within 30 days from the date of the documents and the IRB will consider the appeal (including any penalty thereof) based on the merits of each case.

12. Rescheduling of tax instalment payments

The application can be submitted to IRB together with supporting documents such as cash flow documents for IRB's further consideration.



13. Appeal on penalty

The IRB will consider appeals on penalties based on the merits of each case.

The IRB has issued a media statement on 3 June 2021 in relation to the above. Kindly refer to our [eNewsletter no. 8/2021](#) for further information.

FAQ on deferment of payment of estimated tax payable (CP204) and instalment scheme (CP500) from 1 April 2021 to 31 December 2021 under PEMERKASA

1. Deferment of income tax instalment payments from 1 April 2021 until 31 December 2021 for businesses in the tourism, cinema and spa industries

To ease cash flow for businesses in the tourism, cinema and spa industries, income tax instalment payments due from 1 April 2021 to 31 December 2021 are deferred by the IRB.

The qualifying business codes are as follows:-

| No. | Business code | Description |
|-----|---------------|--|
| 1 | 51101 | Transport of passengers by air over regular routes and on regular schedules |
| 2 | 51102 | Non-scheduled transport of passenger by air |
| 3 | 51103 | Renting of air-transport equipment with operator for the purpose of passenger transportation |
| 4 | 55101 | Hotels and resort hotels |
| 5 | 55102 | Motels |
| 6 | 55103 | Apartment hotels |
| 7 | 55104 | Chalets |
| 8 | 55105 | Rest house/Guest house |
| 9 | 55106 | Bed and breakfast units |
| 10 | 55107 | Hostels |
| 11 | 55108 | Home stay |
| 12 | 55109 | Other short term accommodation activities n.e.c. |
| 13 | 55200 | Camping grounds, recreational vehicle parks and trailer parks |
| 14 | 55900 | Other accommodation |
| 15 | 50111 | Operation of excursion, cruise or sightseeing boats |
| 16 | 50112 | Operation of ferries, water taxis |
| 17 | 50113 | Rental of pleasure boats with crew for sea and coastal water transport |
| 18 | 79110 | Travel agency activities |
| 19 | 79120 | Tour operator activities |
| 20 | 79900 | Other reservation service and related activities |
| 21 | 59140 | Motion picture projection activities |
| 22 | 96091 | Activities of sauna, steam baths, massage salons |

We summarize below the other pertinent points from the FAQ:

- The deferment of CP204 and CP500 payments will be given automatically based on the IRB's records.
- The IRB determines whether the taxpayer qualifies for the deferment based on the Business Code stated in its latest income tax return form received by the IRB.
- Taxpayers that qualify for the deferment will be notified via email registered with the IRB. If no email is received from the IRB, the taxpayer may defer the instalments payment as long as its business falls under the qualifying industries.
- The deferred payments for CP204 / CP500 are to be settled upon the submission of the income tax return for that Year of Assessment, if there is any balance of tax payable.
- No tax penalties will be imposed under Section 107C (9) / 107B (3) of the Income Tax Act 1967 in relation to the deferred payments.
- Taxpayers that qualify for the deferment may opt to continue remitting the instalment payments based on the original instalments scheme without having to notify the IRB.
- Payments remitted during the deferment period are not allowed to be carried forward to the post-deferment period or the subsequent Year of Assessment.
- Revision of tax estimates in the 6th and/or 9th months of the basis period in a year of assessment via Form e-CP 204A (for companies) and revision of tax estimates on or before 30 June 2021 via Form CP502 (for other classes of taxpayers carrying on a business) are still allowed to be filed.
- Taxpayers may make an appeal if they qualify for the deferment based on the current status of their businesses that falls under the qualifying industries. The appeal can be sent to the IRB via email at cp204pemerakasa@hasil.gov.my or cp500pemerakasa@hasil.gov.my.



COMMUNICATION



Dato' Robert Teo
Chairman
T +603 2610 2886
E robertteo@rsmmalaysia.my



Ng Ah Bah
Executive Tax Director
T +603 2610 2827
E ngab@rsmmalaysia.my

Corporate Tax



Owen Wong
Tax Director
T +603 2610 2829
E owenwong@rsmmalaysia.my



Nicole Chong
Tax Director
T +603 2610 2830
E nicole.chong@rsmmalaysia.my

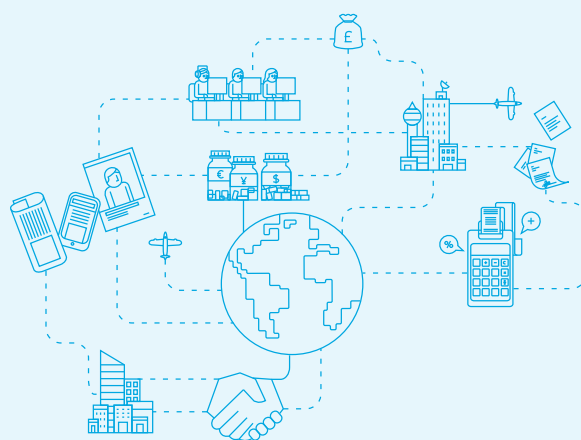


Lim Sok Juan
Associate Tax Director
T +603 2610 2842
E limsj@rsmmalaysia.my

Transfer Pricing



Selvi Permal
Tax Director
T +603 2610 2828
E selvi@rsmmalaysia.my



Indirect Tax



Mayadevi Karpayah
Tax Director
T +603 2610 2831
E mayadevi@rsmmalaysia.my



Kalvinder Singh
Senior Tax Manager
T +603 2610 2863
E kalvindes@rsmmalaysia.my

Field Audit and Investigation



Ng Ah Bah
Executive Tax Director
T +603 2610 2827
E ngab@rsmmalaysia.my



Chang Suang Yue
Tax Manager
T +603 2610 2862
E changsy@rsmmalaysia.my

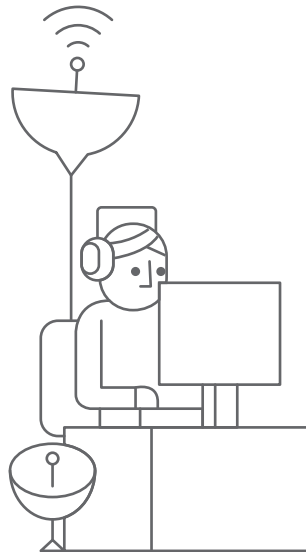
Personal Tax



Mayadevi Karpayah
Tax Director
T +603 2610 2831
E mayadevi@rsmmalaysia.my



Lynda
Senior Tax Manager
T +603 2610 2832
E lynda@rsmmalaysia.my



RSM Tax Consultants (Malaysia) Sdn Bhd

5th Floor, Penthouse, Wisma RKT,
Block A, No.2 Jalan Raja Abdullah Off Jalan Sultan Ismail,
50300 Kuala Lumpur,
Malaysia

Johor Bahru Office

Suite 16-02, Level 16, Menara Landmark,
No. 12, Jalan Ngee Heng,
80000 Johor Bahru,
Malaysia

General Email askus@rsmmalaysia.my
Website www.rsmmalaysia.my

RSM Malaysia (AF:0768) is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network.

Each member of the RSM network is an independent accounting and advisory firm each of which practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction. The RSM network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 50 Cannon Street, London, EC4N 6JJ.

The brand and trademark RSM and other intellectual property rights used by members of the network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

This article is not intended to provide specific business or investment advice. No responsibility for any errors or omissions nor loss occasioned to any person or organisation acting or refraining from acting as a result of any material in this website can, however, be accepted by the author(s) or RSM International. You should take specific independent advice before making any business or investment decision.