

Deloitte.



Tax Espresso
A snappy delight

December 2018

Greetings from Deloitte Malaysia Tax Services

Quick links: [Deloitte Malaysia](#)
[Inland Revenue Board of Malaysia](#)

Takeaways:

1. [Public Ruling \(PR\) No. 10/2018 'Tax Incentive for Investment in Bionexus Status Company'](#)
2. [IRBM's Operational Guidelines No. 1/2018: Special Program for Voluntary Disclosure \(Amended\)](#)

Upcoming events:

1. [Tax Amnesty Seminar](#)

Important deadlines:

Task	Due Date	
	31 December 2018	1 January 2019
1. 2020 tax estimates for companies with January year-end		√
2. 6 th month revision of tax estimates for companies with June year-end	√	
3. 9 th month revision of tax estimates for companies with March year-end	√	
4. Statutory filing of 2018 tax returns for companies with May year-end	√	
5. Due date for 2018 CbCR notification for companies with December year-end	√	

Public Ruling (PR) No. 10/2018 'Tax Incentive for Investment in Bionexus Status Company'

The Inland Revenue Board of Malaysia (IRBM) has on 4 December 2018 issued [PR No. 10/2018](#) to explain the tax incentives offered to an investor who has invested in a BioNexus Status Company (BSC) in Malaysia. The relevant subsidiary legislations referred to in this PR are:

- Income Tax (Deduction for investment in a BioNexus Status Company) Rules 2016 [P.U.(A) 306/2016];
- Income Tax (Deduction for investment in a BioNexus Status Company) Rules 2007 [P.U.(A) 373/2007] [revoked and replaced by P.U.(A) 306/2016 above with effect from year of assessment (YA) 2016].

The following is a brief summary of the PR:

1. An application to make an investment in an approved BSC must be submitted to the Minister of Finance through Malaysian Bioeconomy Development Corporation Sdn Bhd (Bioeconomy Corporation) [*Paragraph 4 of the PR*].
2. The tax incentive granted to an investor is a deduction from its business source in ascertaining its adjusted business income. The deduction allowed in the basis period for a year of assessment (YA) is an amount equal to the actual value of the investment made by the investor in the basis period in an approved BSC [*Paragraph 6.1 of the PR*].
3. Both the investor (company or individual) and the BSC would have to comply with the relevant rules relating to this tax incentive [*Paragraph 4 of the PR*].
4. The investment made by an investor prior to the commencement of a new business are deemed to be made on the date the new business commences as determined by Bioeconomy Corporation.
5. Investments in the form of holding of paid-up capital should not be disposed of within 5 years from the date of the last investment. If there is any disposal within the 5 year period, the consideration for the disposal of such shares has to be added in ascertaining the adjusted business income of the investor for the YA in the basis period the consideration is received. The amount added back shall not exceed the total deduction allowed in relation to the investment in the form of holding of paid-up capital [*Paragraph 6.4 of the PR*].
6. The tax incentive allowed to an investor under the abovementioned subsidiary legislation (i.e., P.U.(A) 306/2016 or P.U.(A) 373/2007) ceases in the basis period for a year of assessment when the:
 - (a) amount of approved investment has been fully claimed; or
 - (b) BSC commences the commercialisation of the activities in respect of which the investment is made which is based on the date of the first sales invoice;
 whichever is earlier.

[*Paragraph 7 of the PR*]

This PR needs to be read together with [PR No. 8/2018](#) on Tax Incentives for Bionexus Status Companies. Various examples have also been provided in this PR.

[Back to top](#)

IRBM's Operational Guidelines No. 1/2018: Special Program for Voluntary Disclosure (Amended)

Further to our [Special Alert: Tax Amnesty Program 2018/2019](#), the IRBM has issued the [amended](#) Special Program for Voluntary Disclosure Guidelines on 30 November 2018.

The Guidelines have been amended as follows:

- When a taxpayer is making a written declaration in respect of incorrect information declared in the tax return, the taxpayer needs to state that he/she is making a full declaration on the income/gains on disposal of assets that were not declared previously.
- Removed the paragraph regarding imposition of penalty when additional information received from third party shows that the income voluntarily declared has not been correctly reported and the information is within the taxpayer's knowledge.
- The Special Program is also applicable to cases under audit or investigation. However, the voluntary disclosure which has been submitted is subject to any findings of the audit / investigation.

[Back to top](#)

We invite you to explore other tax-related information at:

<http://www2.deloitte.com/my/en/services/tax.html>

Tax Team - Contact us

Service lines / Names	Designation	Email	Telephone
Business Tax Compliance & Advisory			
Sim Kwang Gek	Managing Director	kgsim@deloitte.com	+603 7610 8849
Stefanie Low	Executive Director	gelow@deloitte.com	+603 7610 8891
Thin Siew Chi	Executive Director	sthin@deloitte.com	+603 7610 8878
Choy Mei Won	Director	mwchoy@deloitte.com	+603 7610 8842
Suzanna Kavita	Director	sukavita@deloitte.com	+603 7610 8437

Business Process Solutions

Julie Tan	Executive Director	jultan@deloitte.com	+603 7610 8847
Loke Chee Kien	Director	cheloke@deloitte.com	+603 7610 8247
Shareena Martin	Director	sbmartin@deloitte.com	+603 7610 8925

Capital Allowances Study

Chia Swee How	Executive Director	swchia@deloitte.com	+603 7610 7371
Sumaisarah Abdul Sukor	Associate Director	sabdulsukor@deloitte.com	+603 7610 8331

Global Employer Services

Ang Weina	Executive Director	angweina@deloitte.com	+603 7610 8841
Chee Ying Cheng	Director	yichee@deloitte.com	+603 7610 8827
Michelle Lai	Director	michlai@deloitte.com	+603 7610 8846

Government Grants & Incentives

Tham Lih Jiun	Executive Director	ljtham@deloitte.com	+603 7610 8875
Thin Siew Chi	Executive Director	sthin@deloitte.com	+603 7610 8878
Peggy Wong	Director	pwong@deloitte.com	+603 7610 8529

Indirect Tax

Tan Eng Yew	Executive Director	etan@deloitte.com	+603 7610 8870
Senthuran Elalingam	Executive Director	selalingam@deloitte.com	+603 7610 8879
Chandran TS Ramasamy	Director	ctsramasamy@deloitte.com	+603 7610 8873
Larry James Sta Maria	Director	lsta maria@deloitte.com	+603 7610 8636
Wong Poh Geng	Director	powong@deloitte.com	+603 7610 8834

International Tax & Value Chain Alignment

Tan Hooi Beng	Executive Director	hooitan@deloitte.com	+603 7610 8843
---------------	--------------------	--	----------------

Mergers & Acquisitions

Sim Kwang Gek	Managing Director	kgsim@deloitte.com	+603 7610 8849
---------------	-------------------	--	----------------

Private Wealth Services

Chee Pei Pei	Executive Director	pechee@deloitte.com	+603 7610 8862
--------------	--------------------	--	----------------

Gooi Yong Wei	Executive Director	ygooi@deloitte.com	+603 7610 8981
---------------	--------------------	--	----------------

Chris Foong	Director	tfoong@deloitte.com	+603 7610 8880
-------------	----------	--	----------------

Tax Audit & Investigation

Chow Kuo Seng	Executive Director	kuchow@deloitte.com	+603 7610 8836
---------------	--------------------	--	----------------

Stefanie Low	Executive Director	gelow@deloitte.com	+603 7610 8891
--------------	--------------------	--	----------------

Transfer Pricing

Theresa Goh	Executive Director	tgoh@deloitte.com	+603 7610 8837
-------------	--------------------	--	----------------

Subhabrata Dasgupta	Executive Director	sudasgupta@deloitte.com	+603 7610 8376
---------------------	--------------------	--	----------------

Philip Yeoh	Executive Director	phyeoh@deloitte.com	+603 7610 7375
-------------	--------------------	--	----------------

Gagan Deep Nagpal	Director	gnagpal@deloitte.com	+603 7610 8876
-------------------	----------	--	----------------

Justine Fan	Director	jufan@deloitte.com	+603 7610 8182
-------------	----------	--	----------------

Vrushang Sheth	Director	vsheth@deloitte.com	+603 7610 8534
----------------	----------	--	----------------

Anil Kumar Gupta	Director	anilkgupta@deloitte.com	+603 7610 8224
------------------	----------	--	----------------

Sectors / Names	Designation	Email	Telephone
-----------------	-------------	-------	-----------

Automotive

Stefanie Low	Executive Director	gelow@deloitte.com	+603 7610 8891
--------------	--------------------	--	----------------

Consumer Products

Sim Kwang Gek	Managing Director	kgsim@deloitte.com	+603 7610 8849
---------------	-------------------	--	----------------

Financial Services

Chee Pei Pei	Executive Director	pechee@deloitte.com	+603 7610 8862
Gooi Yong Wei	Executive Director	ygooi@deloitte.com	+603 7610 8981
Mark Chan	Director	marchan@deloitte.com	+603 7610 8966
Mohd Fariz Mohd Faruk	Director	mmohdfaruk@deloitte.com	+603 7610 8153

Oil & Gas

Toh Hong Peir	Executive Director	htoh@deloitte.com	+603 7610 8808
Kelvin Kok	Director	kekok@deloitte.com	+603 7610 8157

Real Estate

Chia Swee How	Executive Director	swchia@deloitte.com	+603 7610 7371
Tham Lih Jiun	Executive Director	ljtham@deloitte.com	+603 7610 8875

Telecommunications

Thin Siew Chi	Executive Director	sthin@deloitte.com	+603 7610 8878
---------------	--------------------	--	----------------

Other Specialist Groups
/ Names

Designation

Email

Telephone

Chinese Services Group

Tham Lih Jiun	Executive Director	ljtham@deloitte.com	+603 7610 8875
---------------	--------------------	--	----------------

Japanese Services Group

Julie Tan	Executive Director	jultan@deloitte.com	+603 7610 8847
-----------	--------------------	--	----------------

Korean Services Group

Chee Pei Pei	Executive Director	pechee@deloitte.com	+603 7610 8862
Lily Park Sung Eun	Associate Director	lipark@deloitte.com	+603 7610 8595

Branches / Names	Designation	Email	Telephone
Penang			
Ng Lan Kheng	Executive Director	lkng@deloitte.com	+604 218 9268
Au Yeong Pui Nee	Director	pnauyeong@deloitte.com	+604 218 9888
Everlyn Lee	Director	evelee@deloitte.com	+604 218 9913
Monica Liew	Director	monicaliew@deloitte.com	+604 218 9888
Tan Wei Chuan	Director	wctan@deloitte.com	+604 218 9888
Ipoh			
Ng Lan Kheng	Executive Director	lkng@deloitte.com	+604 218 9268
Lam Weng Keat	Director	welam@deloitte.com	+605 253 4828
Melaka			
Julie Tan	Executive Director	jultan@deloitte.com	+603 7610 8847
Gabriel Kua	Director	gkua@deloitte.com	+606 281 1077
Johor Bahru			
Chee Pei Pei	Executive Director	pechee@deloitte.com	+603 7610 8862
Thean Szu Ping	Director	spthean@deloitte.com	+607 222 5988
Kuching			
Tham Lih Jiun	Executive Director	ljtham@deloitte.com	+603 7610 8875
Philip Lim Su Sing	Director	suslim@deloitte.com	+608 246 3311
Chai Suk Phin	Associate Director	spchai@deloitte.com	+608 246 3311
Kota Kinabalu			
Chia Swee How	Executive Director	swchia@deloitte.com	+603 7610 7371
Cheong Yit Hui	Manager	yicheong@deloitte.com	+608 823 9601



Sim Kwang Gek



Stefanie Low



Thin Siew Chi



Julie Tan



Chia Swee How



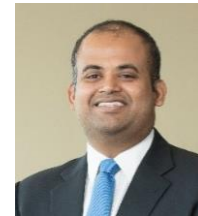
Ang Weina



Tham Lih Jiun



Tan Eng Yew



**Senthuran
Elalingam**



Tan Hooi Beng



Chee Pei Pei



Gooi Yong Wei



Chow Kuo Seng



Theresa Goh



**Subhabrata
Dasgupta**



Philip Yeoh



Toh Hong Peir



Ng Lan Kheng



Choy Mei Won



Suzanna Kavita



Loke Chee Kien



Shareena Martin



Chee Ying Cheng



Michelle Lai



Peggy Wong



**Chandran TS
Ramasamy**



**Larry James
Sta Maria**



Wong Poh Geng



Chris Foong



**Gagan Deep
Nagpal**



Justine Fan



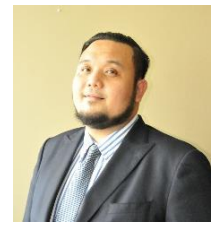
Vrushang Sheth



**Anil Kumar
Gupta**



Mark Chan



**Mohd Fariz
Mohd Faruk**



Kelvin Kok



**Au Yeong
Pui Nee**



Everlyn Lee



Monica Liew



Tan Wei Chuan



Lam Weng Keat



Gabriel Kua



Thean Szu Ping



**Philip Lim
Su Sing**



**Sumaisarah
Abdul Sukor**



**Lily Park
Sung Eun**



Chai Suk Phin



Cheong Yit Hui

Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities. DTTL (also referred to as “Deloitte Global”) and each of its member firms are legally separate and independent entities. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our network of member firms in more than 150 countries and territories serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 286,000 people make an impact that matters at www.deloitte.com.

About Deloitte Southeast Asia

Deloitte Southeast Asia Ltd – a member firm of Deloitte Touche Tohmatsu Limited comprising Deloitte practices operating in Brunei, Cambodia, Guam, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam – was established to deliver measurable value to the particular demands of increasingly intra-regional and fast growing companies and enterprises.

Comprising approximately 340 partners and 8,800 professionals in 25 office locations, the subsidiaries and affiliates of Deloitte Southeast Asia Ltd combine their technical expertise and deep industry knowledge to deliver consistent high quality services to companies in the region. All services are provided through the individual country practices, their subsidiaries and affiliates which are separate and independent legal entities.

About Deloitte in Malaysia

In Malaysia, services are provided by Deloitte Tax Services Sdn Bhd and its affiliates.

Disclaimer

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.