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Gazette Orders, HASiL Guidelines, Tax Cases and more

November 2024

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Greetings from Deloitte Malaysia Tax Services

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Deloitte Malaysia
Inland Revenue Board of Malaysia

Takeaways:

1. Income Tax (Issuance of Electronic Invoice) Rules 2024 [*P.U.(A) 265/2024*], HASiL e-Invoice Guideline (v.4.0), e-Invoice Specific Guideline (v.3.1) and updated FAQs on e-Invoice dated 4 October 2024
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Upcoming events:

21 November 2024 – Deloitte TaxMax – The 50th series: Fostering growth the MADANI way **(Kuala Lumpur)**
28 November 2024 – Deloitte TaxMax – The 50th series: Fostering growth the MADANI way **(Johor)**

Important deadlines:

Task	Deadline	
	30 November 2024	**1 December 2024**
1. 2025 tax estimates for companies with December year-end		√
2. 6th month revision of tax estimates for companies with May year-end	√	
3. 9th month revision of tax estimates for companies with February year-end	√	
4. 11th month revision of tax estimates for companies with December year-end	√	
5. Statutory filing of 2024 tax returns for companies with April year-end	√	
6. Maintenance of transfer pricing documentation for companies with April year-end	√	
7. 2024 CbCR notification for applicable entities with November year-end	√	

1. Income Tax (Issuance of Electronic Invoice) Rules 2024 [*P.U.(A) 265/2024*], HASiL e-Invoice Guideline (v.4.0), e-Invoice Specific Guideline (v.3.1) and updated FAQs on e-Invoice dated 4 October 2024

The Income Tax (Issuance of Electronic Invoice) Rules 2024 [*P.U.(A) 265/2024*] was gazetted on 30 September 2024 to prescribe the rules for issuance of electronic invoice (e-invoice). These Rules came into operation on 1 October 2024.

Any person who carries out a transaction in respect of any goods sold or services performed shall commence to issue an e-invoice at the date prescribed:

(a) in relation to annual sales of more than RM100 million, the e-invoice shall be issued from 1 October 2024 (*instead of 1 August 2024, the set date announced earlier*);
(b) in relation to annual sales of more than RM25 million but not exceeding RM100 million, the e-invoice shall be issued from 1 January 2025; or
(c) in relation to annual sales other than specified in paragraphs (a) and (b), the e-invoice shall be issued from 1 July 2025.

The Rules also provide a basis for determining the annual sales for the purposes of identifying the commencement date for issuing an e-invoice:

(a) if the person has an audited financial statement, the annual sales shall be determined based on the annual income specified in the audited financial statement for financial year (FY) 2022; or
(b) if the person does not have an audited financial statement, the annual sales shall be determined based on the annual income reported in the return for the year of assessment (YA) 2022.

If there is a change in the accounting period for FY 2022, the annual sales shall be determined in accordance with the formula prescribed under Rule 2(3) of the Rules.

The e-invoice issued shall contain particulars as specified in the Schedule of the Rules.

Please refer to *P.U.(A) 265/2024* for full details.

Following the gazette of the Rules, the Inland Revenue Board of Malaysia (HASiL) has updated the following e-Invoice guidelines and frequently asked questions (FAQs):

- e-Invoice Guideline version 4.0 (published on 4 October 2024) - replaces e-Invoice Guideline version 3.2 dated 30 July 2024. The summary of changes is listed on page 3 of the revised Guideline. The changes are highlighted in blue.

- e-Invoice Specific Guideline version 3.1 (published on 4 October 2024) - replaces e-Invoice Guideline version 3.0 dated 30 July 2024. The summary of changes is listed on page 6 of the revised Guideline. The changes are highlighted in blue.

- FAQs on the implementation of e-Invoice in Malaysia (updated on 4 October 2024) – replaces the FAQs updated on 1 October 2024 and 19 July 2024. The updates are in relation to import/export of goods or services and e-Invoice for Micro, Small, and Medium Enterprises (MSME) and the applicability of e-Invoice implementation in Malaysia and e-Invoice Treatment During Interim Relaxation Period (highlighted in blue).

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2. Stamp Duty (Exemption) Order 2024 [*P.U.(A) 266/2024*] in relation to Financing Agreements under Independent Smallholder Oil Palm Replanting Incentive Program

P.U.(A) 266/2024 was gazetted on 1 October 2024 and is deemed to have come into operation on 7 March 2024.

Exemption

The Minister exempts any financing agreement under the Independent Smallholder Oil Palm Replanting incentive program executed from 7 March 2024 to 31 December 2027 between an individual and Bank Pertanian Malaysia Berhad (Agrobank) from stamp duty.

Please refer to *P.U.(A) 266/2024* for full details.

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3. HASiL Operational Guidelines No. 4/2024 – Pilot Implementation of TCC for Government Procurement Applications for Procurement of Consultancy Work & Services (Physical)

HASiL has issued the Operational Guidelines (OG) No. 4/2024 – Pilot Implementation of Tax Compliance Certificate (TCC) for Government Procurement Applications for Procurement of Consultancy Work and Services (Physical) dated 30 September 2024 (in Bahasa Malaysia) on its website.

These guidelines explain the implementation procedure of TCC for Government procurement applications for the procurement of consultancy works and services (physical) from 1 October 2024 to 31 March 2025. The pilot agencies involved are the Public Works Department (JKR) Malaysia and the Drainage and Irrigation Department (JPS). These guidelines include the procedure for checking and issuing a TCC and the procedure for checking the authenticity of a TCC.

The TCC issued by HASiL is part of the prerequisite documents when taxpayers / bidders submit their applications for Government procurement. The issuance and checking of the TCC is done using the Tax Identification No. (TIN), which is the income tax number as per HASiL's records. If the taxpayer / bidder does not have a TIN, registration can be made online through the e-Daftar application on the MyTax Portal. No application is required by the taxpayer / bidder to obtain the TCC, which can be checked and printed through the MyTax Status menu on the MyTax Portal i.e., https://mytax.hasil.gov.my

FAQs related to the TCC are attached to the guidelines.

Please refer to the HASiL OG No. 4/2024 for full details.

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4. HASiL - e-Invoice Illustrative Guide

HASiL has issued an e-Invoice Illustrative Guide (e-IIG) updated on 11 September 2024 on the e-Invoice webpage of its website.

The e-IIG consists of 24 illustrations in relation to the following:

- Transactions with Buyers
- Statements or Bills on a Periodic Basis
- Disbursement or Reimbursement
- Expenses Incurred by Employee on behalf of Employer
- Self-billed e-Invoice
- Transactions which involve payments (whether in monetary form or otherwise) to Agents, Dealers, and Distributors
- Cross Border Transactions
- e-Commerce Transactions

Please refer to the e-IIG for full details.

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5. HASiL – Announcement on e-PCB Plus Phase 1

HASiL has recently announced that the e-PCB Plus will replace the existing PCB system (e-PCB / e-CP39 / e-Data PCB) using only one platform through the MyTax portal. The e-PCB Plus first phase began on **24 September 2024**.

PHASE I

- **Employer / Employer Representative / PCB Administrator Role Registration in MyTax**
- **Registration of the role of Administrator Representative in e-PCB Plus**
- **Update employer / employee information on e-PCB Plus**

Users need to log in to the MyTax portal using an individual ID and Password and select the relevant role for access to e-PCB Plus.

Please refer to the User Guide on MyTax for more information by accessing *MyTax* > *User Manual* > ***e-PCB Plus***.

The existing e-PCB system will still work as usual until the closure announcement is notified.

Please refer to the website, HASiL – Announcement on e-PCB Plus Phase 1 for further details.

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6. Perbadanan Pembangunan Pulau Pinang v Pemungut Duti Setem Malaysia (FC)

HASiL has recently uploaded a case report, "Perbadanan Pembangunan Pulau Pinang v Pemungut Duti Setem Malaysia (FC)" on its website.

Facts:

The duty payer filed an appeal against the decision of the Court of Appeal (COA) in allowing the Collector's appeal against the High Court's (HC) decision. The dispute centers on the Collector's rejection of the duty payer's remittance application, in which the Collector treated the Letter of Undertaking (LOU) from the Penang State Government as a "security", resulting in the duty payer to be ineligible for the remission order.

The duty payer obtained a RM100 million loan from Bank Islam Berhad (the Bank) on 6 May 2019, with no security attached. Subsequently, the Penang State Government issued a LOU to the Ministry of Finance (MOF), as part of the Conditions Precedent stipulated in the Letter of Offer and the *Tawarruq* facility.

The Collector argued that it was not in dispute that the duty payer's Facility Agreement was secured by the LOU from the Penang State Government, as provided under Paragraph (D)(1) of the Third Schedule to the Facility Agreement and Conditions Precedent of the Letter of Offer dated 6 May 2019: "Third Schedule (D) (1) - Letter of Undertaking from Penang State Government via Jabatan Kewangan Negeri to MOF that the State Government was to be accountable for the Facility of RM100,000,000.00 with the Bank". In the Letter of Offer, one of the Conditions Precedent was an LOU from the Penang State Government via Jabatan Kewangan Negeri to the MOF that the State Government was to be accountable for the RC-I facility of RM100 million with the Bank. As a condition precedent to the Facility Agreement, the Penang State Government through Jabatan Kewangan Negeri issued the undertaking letter dated 9 August 2019, in which the Penang State Government had given an assurance to the MOF that the Penang State Government would be accountable for the loan facility amounting to RM100 million granted by the Bank. In the said letter, the Penang State Government clearly stated that: "*3. Sehubungan itu, Kerajaan Negeri memberi akujanji untuk bertanggungjawab sepenuhnya ke atas Pinjaman Kredit Tidar berjumlah RM100 juta daripada Bank Islam Malaysia Berhad tersebut*."

However, the duty payer took the position that the LOU by the Penang State Government addressed to the MOF dated 9 August 2020 (*could be a typo error in the case report, should be 2019 instead*) was not a security because the LOU was only between the Penang State Government and the Federal Government, and the Bank was not privy to the State's LOU. In addition to that, the LOU was merely a "letter of compliance" or "letter of assurance" to the MOF that the Penang State Government is responsible for the loan. The LOU also did not create any charge, pledge or assign any assets as a collateral for the Facility. The word 'security' must be given a broader definition.

In the Facility Agreement, "security" was defined as: "the security provided by the Security Party to the Bank in respect of the obligations and liabilities of the Customer (including but not limited to the payment of the Indebtedness) under and in connection with the Facility and particularised in Section 7 of the First Schedule and any other security for the time being or from time to time constituting security for the obligations and liabilities (including but not limited to the payment of the indebtedness) of the Customer under and in connection with the facility".

The LOU issued by the Penang State Government to the MOF on 9 August 2019 served as a clear assurance that the state government would take full responsibility for the loan amount. The Penang State Government's undertaking to be responsible for the loan secured and the repayment of the loan facility to the Bank. As a result of this assurance being provided to the MOF, the payment of the RM100 million facility was guaranteed by the Penang State Government. Additionally, the LOU provided a guarantee to the Bank that the duty payer had the capability to repay the loan amount at all times. Thus, the LOU served as a security for the Facility Agreement in multiple ways.

Even though the LOU was a letter between the Penang State Government and the MOF, it also guaranteed the entire RM100 million loan provided by the Bank to the duty payer. The LOU from the Penang State Government provided an exceptional security and complete assurance for the repayment of the loan amount. The Penang State Government bore full responsibility for the loan amount, and as such, ensured that agencies under its jurisdiction, such as the duty payer, maintain strong financial capability at all times to enable the repayment of the loan amount to the Bank.

The Bank was a Federal Government GLC, whilst the duty payer was a State entity. Hence, the relationship between the Bank and the duty payer was not strictly commercial but are guided by the government policies. Therefore, instead of the usual security in the nature of mortgages or charges, the Letter of Offer issued by the Bank specified the requirement of a LOU from the Penang State Government, in compliance with the Federal Government's policy. This was also clearly stated in the Third Schedule of the Facility Agreement.

Issue:

Whether the LOU issued by the Penang State Government to the MOF constituted a security for the loan facility.

Decision:

The Federal Court (FC), by a unanimous decision, allowed the duty payer's appeal with cost of RM50,000 to be paid by the Collector to the duty payer, subject to allocator.

[Details of the above tax case at both the HC and FC levels are not available as of date of publication.]

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7. Selectcool Sdn Bhd v DGIR (COA)

HASiL has recently uploaded a case report, "Selectcool Sdn Bhd v DGIR (COA)" on its website.

Facts:

The taxpayer filed an appeal against the decision of the HC in allowing the appeal by the Director General of Inland Revenue (DGIR) against the deciding order of the Special Commissioners of Income Tax (SCIT).

The DGIR had raised issues in its written submission dated 8 May 2024 regarding the taxpayer's failure to observe the mandatory provisions in the Rules of Court of Appeal 1994 (ROCA) when read together with Article 152(3) of the Federal Constitution, Section 84 of the National Language Acts 1963/67 as well as Section 3 of the Interpretation Acts 1948 and 1967.

Despite having the benefit of being informed of the non-compliances as early as 8 May 2024, the application was only filed when the notice of preliminary objection was issued by the DGIR on 20 May 2024. There was no explanation as to the following delays and non-compliances:

- not filing the Record of Appeal on time;
- not filing the Memorandum of Appeal together with the Record of Appeal; and
- not filing the Supplementary Record of Appeal containing the HC's grounds of judgement on time.

Taxpayer's argument:

The only explanation provided by the taxpayer's counsel was that the non-compliance was an unintentional mistake that they did not realise at the time of filing.

DGIR's argument:

The taxpayer had not complied with Order 18 Rule 7 and Rule 7A of the ROCA, which require the Record of Appeal, along with the Memorandum of Appeal to be filed within 90 days, regardless of whether the HC's grounds of judgment had been received. Thus, the taxpayer's non-compliance in filing the Record of Appeal on time as well as failing to incorporate the Memorandum of Appeal in the Record of Appeal (that was later filed out of time), must not be condoned as this would set a precedent contrary to the intentions of the ROCA.

Since the Memorandum of Appeal was also not filed in Bahasa Malaysia, the Record of Appeal does not qualify as a proper record, rendering the appeal incompetent and ought to be struck off.

It is the responsibility of the taxpayer's counsel to comply with the law. The taxpayer's counsel should not be allowed to abscond from its professional duty of ensuring compliance in their own appeal.

Issue:

Whether there is a reasonable explanation for the delay and non-compliance regarding the application for late filing of the Record of Appeal, Memorandum of Appeal and Supplementary Record of Appeal.

Decision:

The COA unanimously upheld the HC's decision and dismissed the taxpayers' appeal with cost of RM5,000 to the DGIR. *[Note: In summary, the HC allowed the DGIR's appeal against the SCIT's deciding order. SCIT had allowed the appeal by way of Form Q by the taxpayer against the Notice of Additional Assessment for YA 2013 raised by DGIR.]*

[Details of the above tax case at the SCIT and COA levels are not available as of date of publication.]

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8. EWSB v DGIR (SCIT)

HASiL has recently uploaded a case report, "EWSB v DGIR (SCIT)" on its website.

Facts:

The taxpayer provides human resource services in exploration and exploitation of petroleum in the Gulf of Thailand to CHOCSB. The taxpayer claimed bilateral credit under Section 132 of the Income Tax Act 1967 (ITA) for YAs 2013 to 2018. A tax audit was conducted by the DGIR for the said years. The DGIR found that the taxpayer had failed to provide documents to support its claim for bilateral credit under Section 132 of the ITA. The taxpayer also failed to comply with the conditions to claim double taxation relief under Paragraph 8 of the Public Ruling (PR) No. 11/2011. The taxpayer had failed to submit the required documents, which includes the Notice of Assessment from the foreign tax authority or receipt for the foreign tax paid, or a statement from the foreign tax authority setting out the particulars that would normally be recorded on a Notice of Assessment or receipt for payment. [*Note: PR No. 11/2011 has been superseded by PR No. 11/2021*]

Due to its failure to comply, the taxpayer is not eligible to claim bilateral credit since there is no proof of foreign income received and foreign tax paid by the taxpayer. The DGIR issued Notices of Assessment to the taxpayer in respect of YAs 2013 to 2018, which were all dated 30 November 2020. Dissatisfied with the assessment, the taxpayer filed an appeal to the SCIT.

Taxpayer's argument:

It was the taxpayer's contention that the same income had been taxed in Malaysia and Thailand. The taxpayer claimed that the withholding tax was made and remitted as per general practice, as such CHOCSB being the payer will withhold certain amount from the taxpayer's invoice as tax and remit it to the Thailand Revenue Authority (TRA). The taxpayer also

contended that during the tax audit, it has provided all the necessary documents in proving the withholding taxes that have been paid to the TRA. The taxpayer also made a reference to the PR No. 11/2011.

DGIR's argument:

The DGIR submitted that according to Section 132 of the ITA, any Double Taxation Agreement (DTA) signed by two contracting States was intended to avoid territorial double taxation of the same income by two countries. Section 132 and Schedule 7 of the ITA must be construed using a purposive approach. The DGIR asserted that the taxpayer did not receive income from other countries, as invoices was issued by the taxpayer to CHOCSB, and the taxpayer's income was not taxed by the TRA. Thus, the taxpayer has failed to comply with the condition of Paragraph 8 of PR No. 11/2011. The payment of withholding tax to TRA is not a cost to the taxpayer but it is a cost to CHOCSB. The taxpayer also failed to furnish sufficient document in proving that the taxpayer is qualified to claim bilateral credit relief under Section 132 of the ITA.

Issue:

Whether the taxpayer is qualified to claim bilateral credit relief under Section 132 of the ITA.

Decision:

On 23 September 2024, the SCIT held that the taxpayer failed to prove its appeal as required under Paragraph 13, Schedule 5 of the ITA and dismissed the appeal. The SCIT ruled that the DGIR is correct in law in raising the additional assessments for the YAs 2013 to 2018.

[Details of the above tax case at the SCIT-level are not available as of date of publication.]

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9. TYH v DGIR (SCIT)

HASiL has recently uploaded a case report, "TYH v DGIR (SCIT)" on its website.

Facts:

The taxpayer was a sole proprietor of a business named MFP, which was involved in the selling of beauty and slimming product in the YAs 2012 and 2013. The business commenced in September 2012 and from October 2013, the business was changed to a company under the name of MPFSB. The taxpayer was audited by the DGIR based on a complaint received from a third party where the appellant had failed to report the income of her business.

The DGIR had requested the taxpayer to submit her annual return forms (BNCP) for YAs 2012 and 2013 with the relevant documents but only received two (2) Maybank Statements of Accounts as a proof of her business income. Based on these documents, the DGIR issued a Notice of Assessment and Notice of Additional Assessment for YAs 2012 and 2013 (the Assessments). The taxpayer appealed against the Assessments.

Taxpayer's argument:

The taxpayer contended that the DGIR's computation of the taxable income for her business was too high with a margin of 61.80% for 2012 and 48.62% for 2013. The taxpayer thereafter came up with her own margin by using the completed company account for YAs 2015 to 2017 prepared by her accountant to reflect her business margin for YAs 2012 and 2013. Based on the margin for YAs 2015 to 2017, the margin was calculated at 30%-40%. The taxpayer further argued that the company was a partnership and the partners had agreed to report their income as partners.

DGIR's argument:

The DGIR submitted that the proof of partnership was never submitted by the taxpayer and the same was never proven during the trial. Regarding the sampling method as suggested by the taxpayer's witnesses, the DGIR submitted that the sampling method was only a suggestion and / or opinion of the witnesses. It also cannot be applied to YAs 2012 and 2013 as the taxpayer did not keep a proper record. The method used by the DGIR in calculating the taxpayer's business income was correct and acceptable as fortified in *Francis Fong Ngin Wyu v Ketua Pengarah Hasil Dalam Negeri [2021] MLJU 02699*

and *Ketua Pengarah Hasil Dalam Negeri v Lai Keng Chong & Anor [2012] 4 MLJ 184*. The DGIR had even made a third-party confirmation with the taxpayer's supplier to confirm the taxpayer's business expenses.

Issue:

Whether the method used by the DGIR in calculating the taxpayer's business income was correct and acceptable.

Decision:

On 23 August 2024, the SCIT dismissed the taxpayer's appeal and held that the taxpayer had failed to prove her case as required under Paragraph 13, Schedule 5 of the ITA. As such, the Assessments and the penalty imposed under Sections 112(3) and 113(2) of the ITA raised by the DGIR against the taxpayer were justified and confirmed.

[Details of the above tax case at the SCIT level are not available as of date of publication.]

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10. CJS v DGIR & WPH v DGIR (SCIT)

HASiL has recently uploaded a case report, "CJS v DGIR & WPH v DGIR (SCIT)" on its website.

Facts:

The first taxpayer (CJS) and the second taxpayer (WPH) carry out business activities as insurance agents. CJS and WPH have claimed some expenses under Section 33(1) of the ITA.

Expenses claimed by WPH were rebates and discounts to policy holders and travel claims, while CJS claimed rebate expenses to agents, agent recruitment and training expenses as well as travelling claims. The DGIR through a letter dated 18 January 2019 requested both taxpayers to submit supporting documents for review purposes and the documents were submitted by both taxpayers on 16 December 2019. The DGIR found that the documents submitted by the taxpayers could not prove that the expenses claimed were wholly and exclusively incurred in the production of business income. As such, Notices of Additional Assessment with penalties under Section 113(2) of the ITA for the YAs 2014, 2015 and 2016 dated 21 February 2020 and 20 February 2020 were raised on WPH and CJS respectively.

Taxpayers' argument:

Both taxpayers argued that the commission payment claimed was a commission from the customer's premium paid to the part-time agent. Both taxpayers also argued that these rebates were also given as compensation or incentives by the insurance company due to the termination of the agents' services for not reaching the annual target. Meanwhile, the travelling claims were for the purpose of training agents, attending annual conferences, attending courses and dinners as well as holding an annual awards ceremony organised by both taxpayers.

DGIR's argument:

The DGIR argued that all the documents provided to substantiate the expenses claimed by the taxpayers were unreliable because they could not be verified, and that there was no proof of payment made apart from the irregular taxpayers' accounts. The amount claimed was also different from the receipt presented. For the travelling claims, both taxpayers only submitted a list of names of customers outside of the Sibu area and did not explain the purpose of the travel. The DGIR also found that there were personal claims made by both taxpayers. WPH and CJS also failed to call witnesses or third-parties to prove that all expenses were actually incurred. During the hearing, WPH and CJS explained that the rebate paid was a compensation given on their own accord and was not an obligation. The DGIR argued that the expenditure was capital in nature and was not incurred for the purpose of generating income.

Issue:

Whether the expenses claimed by the taxpayers were wholly and exclusively incurred in the production of business income and therefore deductible under Section 33(1) of the ITA.

Decision:

The SCIT decided that the two taxpayers had failed to prove their appeals under Paragraph 13, Schedule 5 of the ITA and that the DGIR had legal and factual basis to raise the assessments and impose penalties under Section 113(2) of the ITA on the taxpayers. As such, the SCIT dismissed the taxpayers' appeals and upheld the Notice of Additional Assessment for the YAs 2014, 2015 and 2016 together with the penalties.

[Details of the above tax case at the SCIT level are not available as of date of publication.]

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11. RBMK v DGIR (SCIT)

HASiL has recently uploaded a case report, "RBMK v DGIR (SCIT)" on its website.

Facts:

The taxpayer is a director and a shareholder of SBWR (M) SB (the company). The taxpayer failed to submit income tax return forms (tax returns) for the YAs 2015, 2016, and 2017. The DGIR conducted an audit on the taxpayer and discovered that the taxpayer had received director fees of RM427,000 in 2015, 2016, and 2017 in total based on the company's financial statements. Due to her failure to furnish the tax returns under Section 77 of the ITA, the DGIR had issued Notices of Assessment (Forms J) for YAs 2015, 2016, and 2017 all dated 23 February 2021 in accordance with Section 90(3) of the ITA. On 28 September 2022, the taxpayer submitted the tax returns for YAs 2015, 2016, and 2017 with supporting documents through e-filing. The DGIR found out that the amount declared by the taxpayer was different from the amount stated in the financial statements and tax returns submitted by the company.

Taxpayer's argument:

The taxpayer contended that she never received any director fees from the company. It was further argued that the said company misused her name as a shareholder and director of that company. The taxpayer provided her bank statements for years 2016 and 2017 to prove that there was no record of her receiving the said payment from the company.

DGIR's argument:

The DGIR asserted that the documents produced by the taxpayer were not sufficient to prove her contentions. The taxpayer submitted incomplete bank statements during the audit for years 2016 and 2017. For year 2015, there was no bank statement submitted to the DGIR. The taxpayer also failed to call material witness from the company to give testimony during hearing before the SCIT to support her contentions. In addition, the imposition of penalties under Section 112(3) of the ITA was due to the failure of the taxpayer to furnish the tax returns for YAs 2015, 2016, and 2017. Therefore, the penalties imposed at the rate of 45% under Section 112(3) of the ITA were correct.

Issue:

Whether the Notices of Assessment under Section 90(3) of the ITA together with penalties imposed under Section 112(3) of the ITA are correct and justified.

Decision:

On 4 October 2024, the SCIT dismissed the taxpayer's appeal and held that Forms J dated 23 February 2021 including penalties for YAs 2015, 2016 and 2017 are correct and justified.

[Details of the above tax case at the SCIT level are not available as of date of publication.]

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

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