



# PRESS RELEASE

For immediate publication

## **DECENTRALISATION OF INCOME TAX FILES SUBSEQUENT TO THE SETTING UP OF LARGE TAXPAYER BRANCH (LTB) AND LARGE TAXPAYER UNIT (LTU)**

Currently, income tax files for all categories of taxpayers at all branches of the Inland Revenue Board of Malaysia (IRBM) are handled by the branches based on the individual's residential address or non-individual's correspondence address without taking into account the size of the taxpayer's income or turnover.

To improve the quality of services to clients, IRBM would like to inform that with effect from 1 January 2015, the Corporate Tax Department has been renamed to **Large Taxpayer Branch (LTB)** and will handle Large and High Profile Taxpayer files for the branches in Peninsular Malaysia, whereas the Large and High Profile Taxpayer files in Sabah and Sarawak will be handled by the respective **Large Taxpayer Unit (LTU)** set up in the Kota Kinabalu and Kuching Branch.

Other departments / divisions that also have been renamed are the Multinational Tax Department which now known as the Multinational Tax Branch (MTB) and the Petroleum Division now renamed to Petroleum Branch (PB).

Therefore, the decentralisation of taxpayer files between the Corporate Tax Department, Multinational Tax Department, Petroleum Division, and IRBM Branches will be implemented. The criteria for decentralisation of the above mentioned income tax files are as follows:

Branch	Criteria
1) Large Taxpayer Branch (LTB)	<p>1.1) Handling of Corporate Taxpayers (C) with turnover (sales) equivalent to or <b>exceeding RM30 million.</b></p> <p>1.2) Non-corporate Taxpayers (OG and SG) with aggregate income equivalent to or <b>exceeding RM1 million.</b></p> <p>1.3) The following Special Sectors are still remained at LTB:</p> <ul style="list-style-type: none"> <li>a. Construction (<b>sales equivalent to or exceeding RM30 million</b>);</li> <li>b. Real property;</li> <li>c. Finance and</li> <li>d. Insurance / takaful</li> </ul> <p>1.4) Corporate files other than in paragraph 1.1 will be decentralised to all IRBM branches (Peninsular, Sabah and Sarawak) according to the latest business premise address or correspondence address.</p>
2) Large Taxpayer Unit (LTU)	2.1) Taxpayers in Sabah and Sarawak that fall within the criteria's mentioned in paragraphs 1.1, 1.2 and 1.3 will be handled by the respective LTU in Kota Kinabalu and Kuching Branch.

Branch	Criteria
3) Multinational Tax Branch (MTB)	<p>3.1) Companies which have transactions with related companies outside Malaysia based on a certain threshold.</p> <p>3.2) Collection and RPGT files related to paragraph 3.1 will be transferred to the Large Taxpayer Branch.</p>
4) Petroleum Branch (PB)	<p>4.1) Downstream petroleum industry taxpayers at LTB or IRBM branches will be decentralised to the Petroleum Branch without taking into account the total turnover. Downstream petroleum industry taxpayers are identified based on the taxpayer's business code (except Non-Resident Branch files).</p> <p>4.2) Collection and RPGT files related to paragraph 4.1 will be transferred to the Large Taxpayer Branch.</p>
5) IRBM Branches	<p>5.1) Handling of Corporate Taxpayers (C) with turnover (sales) <b>not exceeding RM30 million</b> (except Non-Resident Branch).</p> <p>5.2) Taxpayers at LTB with turnover (sales) <b>not exceeding RM30 million</b> will be decentralised to all IRBM branches based on the latest business premise address or correspondence address.</p>

Further information can be accessed via the IRBM Portal at [www.hasil.gov.my](http://www.hasil.gov.my) or contact 1-800-88-5436 or visit any nearest IRBM branch.

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**THANK YOU**



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Issued by:

**Masrun Bin Maslim | Public Relations Officer (Media)**

**Corporate Communications & Multimedia Division | Corporate Services Department**

**Inland Revenue Board of Malaysia**

☎ : 03-8313 8888 ext. 21326 / 21354 | 📠 : 03-8313 7836

Contact Centre : 1-800-88-5436 (LHDN) | Website : [www.hasil.gov.my](http://www.hasil.gov.my)

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