



MEDIA RELEASE

For Immediate Release

REDUCTION OF PENALTY AND WAIVER OF TAX INCREASE FOR VOLUNTARY DISCLOSURE AND EARLY SETTLEMENT OF TAX ARREARS

The Inland Revenue Board of Malaysia (IRBM) wish to inform the public the following:

- i. **Reduction of penalty** (*please refer to Table 1*), at a specific rate is offered for voluntary disclosure made by the taxpayer for the following cases:
 - a. Taxpayers who failed to submit their Income Tax Return Forms for previous years of assessments; and
 - b. Taxpayers who wished to declare the correct income against the income declared in the Income Tax Return Forms submitted earlier.
- ii. **Waiver of Tax Increase** (*please refer to Table 1*) is offered to taxpayers who wish to settle in full their Income Tax, Real Property Gains Tax or Withholding Tax arrears before or on the 30th November 2015.

These offers are effective from 1st May 2015 till 30th November 2015. The eligibility of these offers depends on the merits of the taxpayer's case and also subject to the relevant Regulations issued by IRBM.

Table 1: The applicable laws in respect of Tax Penalty and Tax Increase

Tax Penalty	Tax Increase
i. Subsection 112(3) and Subsection 113(2) Income Tax Act 1967	<p><u>Income Tax Arrears :</u></p> <p>i. Section 103, subsection 107C(9) and subsection 107B(3) Income Tax Act 1967</p> <p><u>Real Property Gains Tax Arrears :</u></p> <p>i. Subsection 21(4) and section 21B Real Property Gains Tax Act 1976</p> <p><u>Withholding Tax Arrears :</u></p> <p>i. Subsection 107A(2); or</p> <p>ii. Subsection 109(2), subsection 109B(2), subsection 109D(3), subsection 109E(4), subsection 109F(2) and subsection 109G(2) Income Tax Act 1967</p>

These offers are not applicable to taxpayers whose tax files are handled by the Multinational Tax Branch and the Petroleum Branch of the IRBM.

According to Tan Sri Datuk Wira Dr. Mohd Shukor Hj. Mahfar, CEO of IRBM, this offer shows the Government realization to cushion the impact from the global economic uncertainties on taxpayer.

For further information, please contact our Customer Care Officers at the respective IRBM branches.

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THANK YOU



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