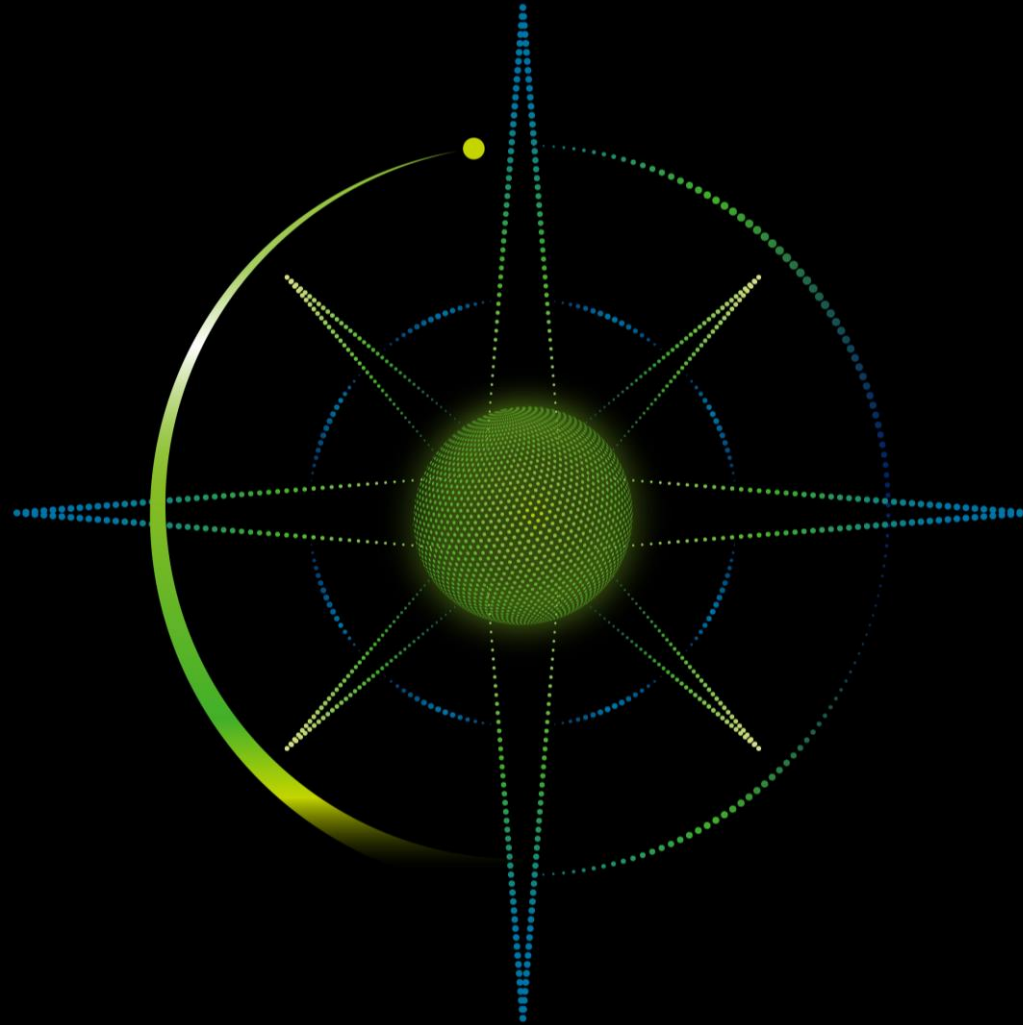


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Deloitte TaxMax  
Sustaining growth for a better tomorrow

Ang Weina and Chee Ying Cheng | 16 November 2023





**Ang Weina**

Global Employer Services Leader,  
Deloitte Malaysia



**Chee Ying Cheng**

Global Employer Services Executive Director,  
Deloitte Malaysia

# Tax Relief

– What's new for 2024?

# Tax relief on medical treatment expenses

Proposed amendment Section 46(1)(g) of the Income Tax Act, 1967

## Current

- ✓ Serious disease incurred for taxpayer, spouse or children
- ✓ Fertility treatment incurred for taxpayer or spouse
- ✓ Vaccination for taxpayer, spouse or child limited to RM1,000
- ✓ Full medical check-up including mental health check-up or consultation, COVID-19 detection test inclusive for taxpayer, spouse or child limited to RM1,000
- ✓ Diagnostic and rehabilitation treatment for children with learning disabilities limited to RM4,000

Aggregate amount restricted to RM10,000

## Proposed

Scope of tax relief be **expanded** to include dental examination and treatment expenses from dental practitioners registered in Malaysia limited to RM1,000

Aggregate amount restricted to RM10,000



Effective

Year of assessment (YA) 2024

# Tax relief on medical treatment, special needs and carer expenses for parents

Proposed amendment Section 46(1)(c) of the Income Tax Act, 1967

## Current

- ✓ Medical care and treatment provided by a nursing home
- ✓ Dental treatment limited to tooth extraction, filing, scaling and cleaning but exclude cosmetic dental expenses
- ✓ Carer shall not include the taxpayer, or spouse or children of taxpayer
- ✓ Parents shall be tax residents in Malaysia

Aggregate amount restricted to RM8,000

## Proposed

Scope of tax relief be **expanded** to include:

- ✓ Full medical examination for parents limited to RM1,000

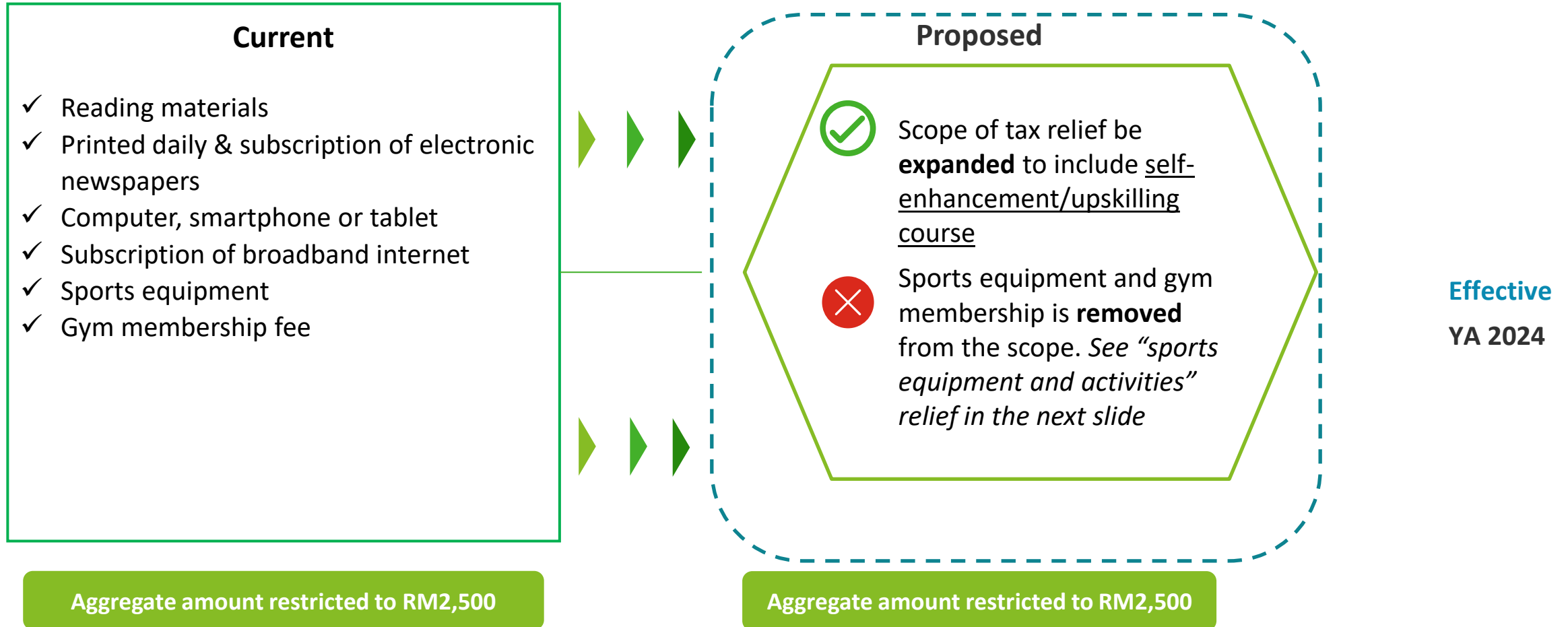
Aggregate amount restricted to RM8,000



**Effective**  
YA 2024

# Tax Relief for lifestyle

Proposed amendment Section 46(1)(p) of the Income Tax Act, 1967



# Tax relief on expenses for sports equipment and activities

Proposed amendment Section 46(1)(u) of the Income Tax Act, 1967

## Current

- ✓ Purchase of sports equipment
- ✓ Rental or entrance fees to any sports facility
- ✓ Registration fee for any sports competition where the organizer is approved and licensed by Commissioner of Sports under the Sports Development Act 1997

Aggregate amount restricted to RM500

## Proposed

Scope of tax relief be **expanded** to include:

- ✓ Payment of gym membership fee or
- ✓ sports training activity under Sports Development Act 1997 which is provided by sports club/society registered with the Commissioner of Sports or Companies incorporated under Companies Act

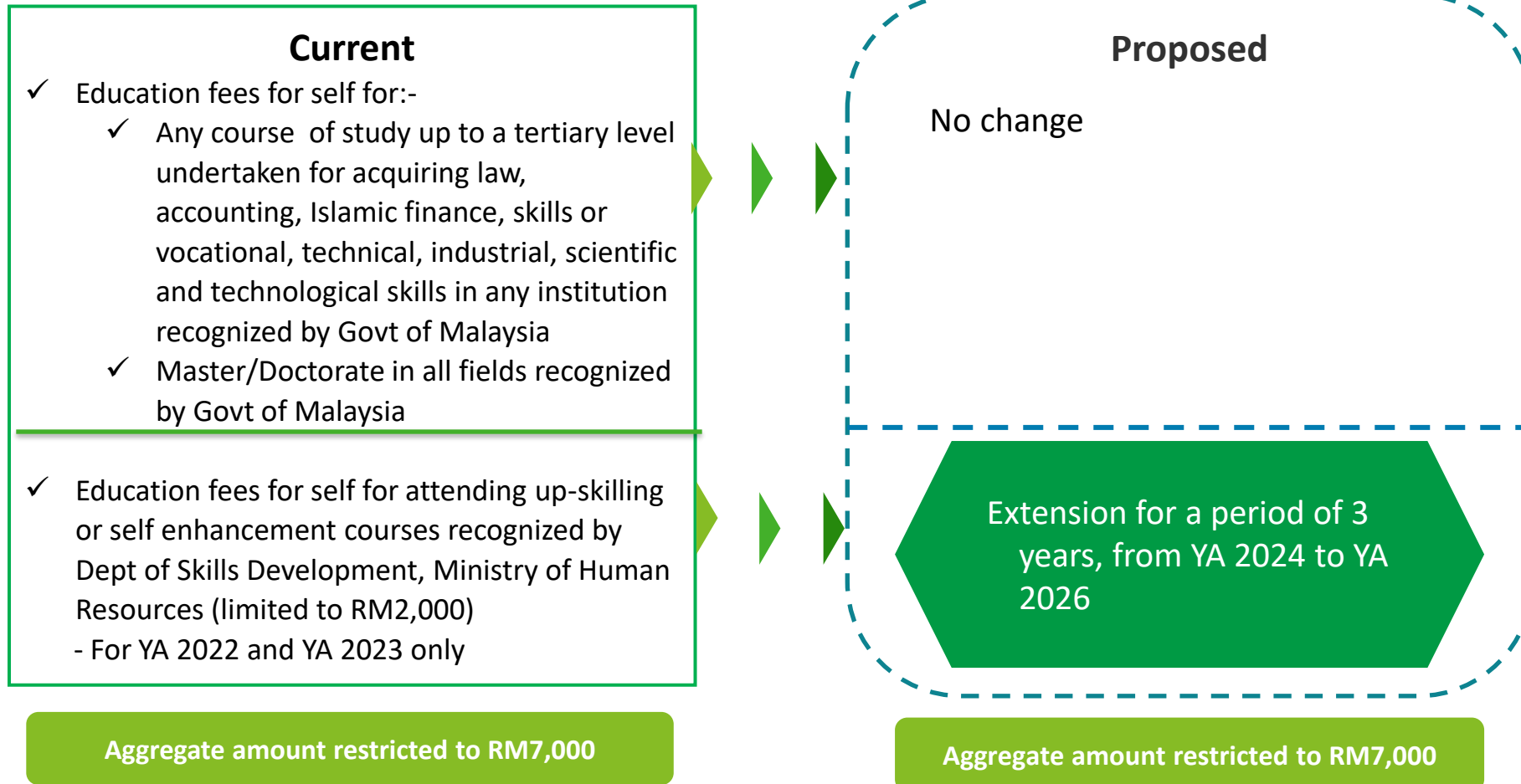
Aggregate amount restricted to RM1,000



**Effective**  
**YA 2024**

# Tax relief for up-skilling and self enhancement courses fee

Proposed amendment Section 46(1)(f)(iii) of the Income Tax Act, 1967





# Tax relief in relation to installation costs, rental, purchase costs or subscription fees for charging facilities of Electric Vehicles (EV)

Proposed amendment Section 46(1)(v) of the Income Tax Act, 1967

**Current**

Expenses incurred on **charging facilities** of EV:

- ✓ Cost of installation
- ✓ Rental
- ✓ Purchase of equipment
- ✓ Hire purchase of equipment
- ✓ EV charging facilities subscription fees

The EV must be for own use and not used for purposes of business.

Applicable YA 2022 and YA 2023 only.

Aggregate amount restricted to RM2,500

**Proposed**

Extension for a period of 4 years, from YA 2024 to YA 2027

Aggregate amount restricted to RM2,500

# Tax Exemptions/incentives

– What's new for 2024?

# Exemption

## Childcare allowances

### Current

Income tax exemption given up to **RM2,400 a year**:

- Childcare allowances received by employees
- Childcare allowances paid directly by employer to childcare centers
- The above is applicable for childcare allowance received for children aged 12 and below

### Proposed

Increase the tax exemption from  
RM2,400 to RM3,000 per year



**Effective YA 2024**

# Tax Incentive

## Women returning to workforce after career break

### Current

Income tax exemption on employment income for a period not exceeding 12 consecutive months for Malaysian women who rejoin the workforce after a career break:

- has ceased employment and has not derived any employment income **for a continuous period of at least 24 months prior to or as at 27 October 2017**
- has at least three (3) years full-time employment experience prior to the cessation of employment
- age not exceeding 58 years on the date of application
- has signed a full-time employment contract in Malaysia with a qualifying employer for a period of at least 24 months receiving employment income of at least RM5,000 per month

### Proposed

- ✓ Amended the criteria on women returning to work after a career break of at least 2 years before the date of application received by Talent Corp
- ✓ Extended for employment income received from YA 2025 to YA 2028
- ✓ Applications to be received by Talent Corp from 1 January 2024 to 31 December 2027

# Tax Incentive

## Returning Expert Program

### Current

Income tax at a fixed rate of 15% on employment income for 5 consecutive YAs

- ✓ Is a Malaysian and resident citizen
- ✓ **Is an expert in a field specified by the Minister**
- ✓ **Has not derived any employment income in Malaysia for at least a continuous period of 36 months prior to the date of application to Talent Corp**

The purpose of the program is to promote and facilitate the return of a Malaysian citizen who works as a professional overseas to establish a sustainable expert workforce in Malaysia.

### Proposed

Extended for applications to be received by Talent Corp from 1 January 2024 to 31 December 2027



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