



Updates on activities of the Platform for Collaboration on Tax; Medium Term Revenue Strategy

10th IMF - Japan High - Level Tax Conference for Asian Countries

April 25-26, 2019 - Tokyo

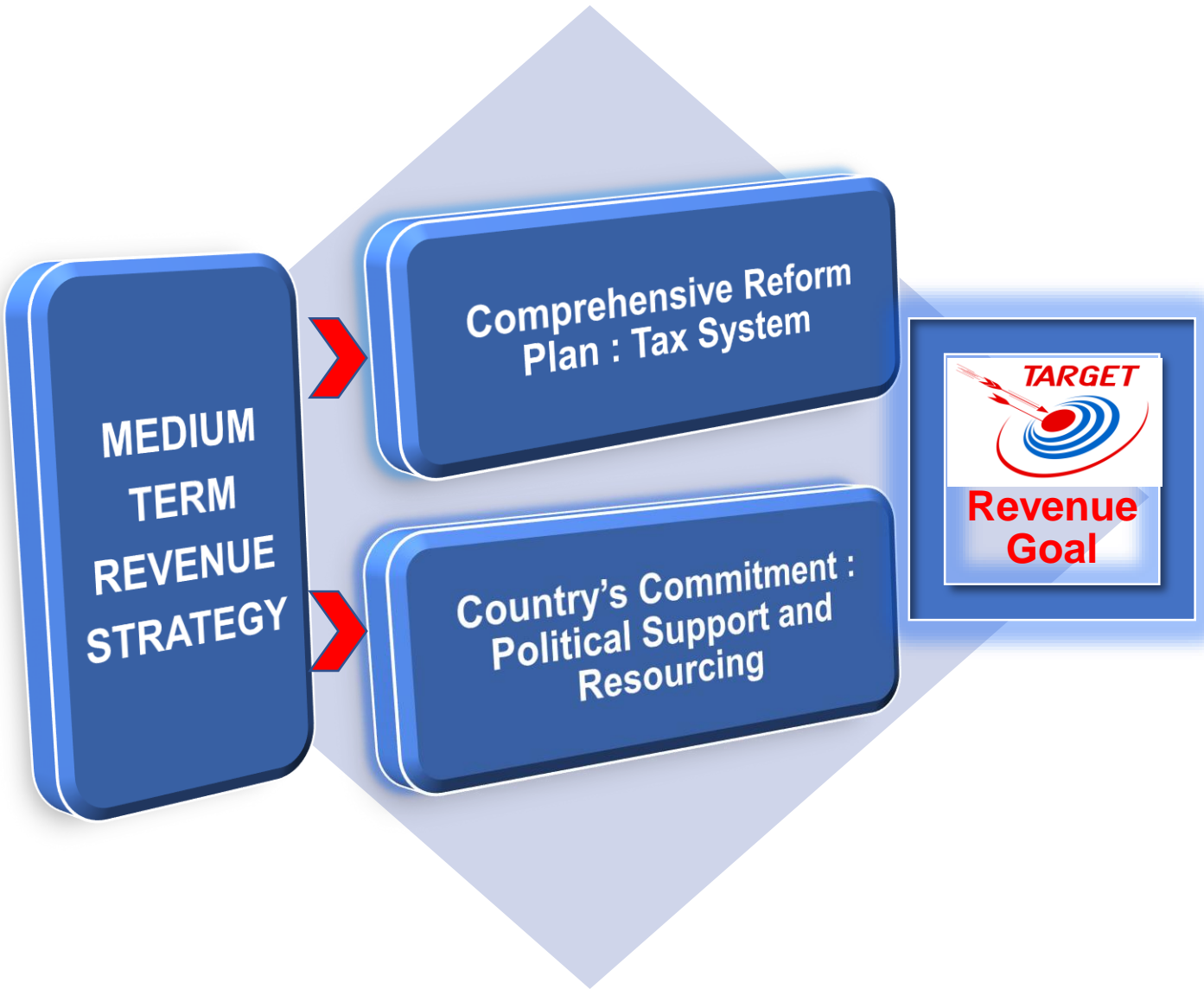
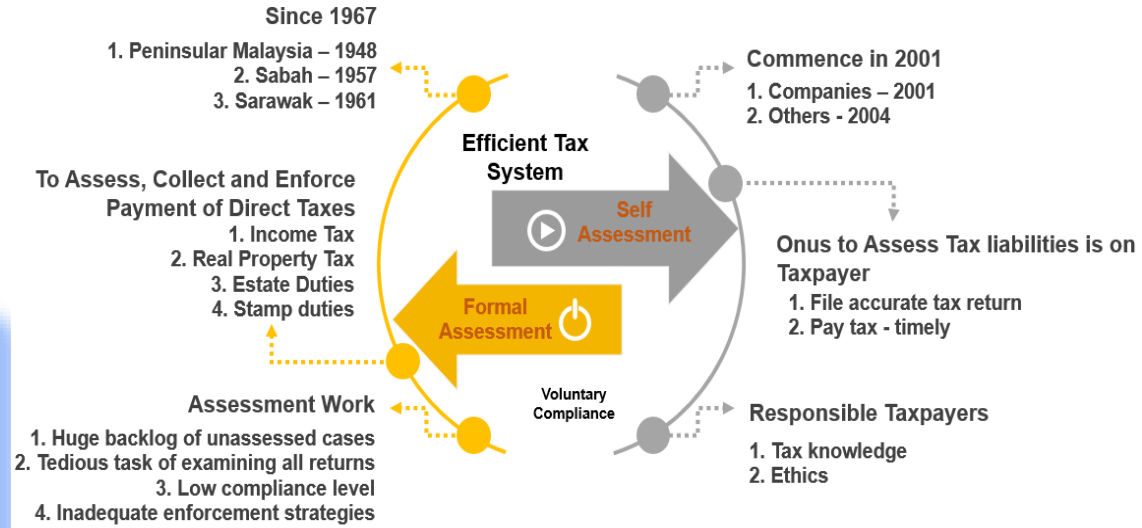
Abang Ehsan Abang Abu Bakar

Division Director of General Industries, Large Taxpayer Branch
Inland Revenue Board of Malaysia



MALAYSIAN TAX SYSTEM

Evolution



SPECIAL VOLUNTARY DISCLOSURE PROGRAMME

EXTENSION OF SVDP PERIOD

LET'S DECLARE!

DISCLOSURE PERIOD	PENALTY RATE
3 NOVEMBER 2018 - 30 JUNE 2019 (Payment on or before 1 July 2019)	10%
1 JULY 2019 - 30 SEPTEMBER 2019 (Payment on or before 1 October 2019)	15%

RECENT HEADLINES

Ex-LHDN boss to head Putrajaya's tax reforms committee

By
FMT Reporters

September 14, 2018 5:36 PM



Hasmah Abdullah (fourth from right) after attending the first Tax Reform Committee meeting with Finance Minister Lim Guan Eng.



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5 minute read

Tax reforms are underway: Dr Mahathir

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Dr Mahathir said the proposal will address measures to reduce tax leakages, how to access the underground economy, enhance tax administration and find new sources of revenue. NSTP/MOHAMAD SHAHRIL BADRI SAALI.

By LIDIANA ROSLI and FARAH ADILLA - March 19, 2019 @ 3:51pm

KUALA LUMPUR: The government's tax reform committee (TRC) is in the final process of finalising the proposal to enhance tax revenue, according to Prime Minister Tun Dr Mahathir Mohamad.

Dr Mahathir said the proposal will address measures to reduce tax leakages, how to access the underground economy, enhance tax administration and find new sources of revenue.

"We are also rationalising tax incentives for investments, as the current administration and governance structures of investment incentives is highly fragmented, costly, and ineffective," he said in his keynote address at Invest Malaysia 2019 (IMKL2019) here today.

Dr Mahathir noted that Malaysia currently offers over 130 types of incentives administered by 22 investment promotion agencies (IPAs), with varied roles and responsibilities, and several approving agencies.

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TAX REFORM COMMITTEE

Reduce Tax Leakages

- IRBM monitoring social media, bank accounts of those with unexplained wealth

Access Underground Economy

- Joint efforts between selected agencies in Malaysia
- Blueprint Hasil Power Data

Enhance Tax Administration

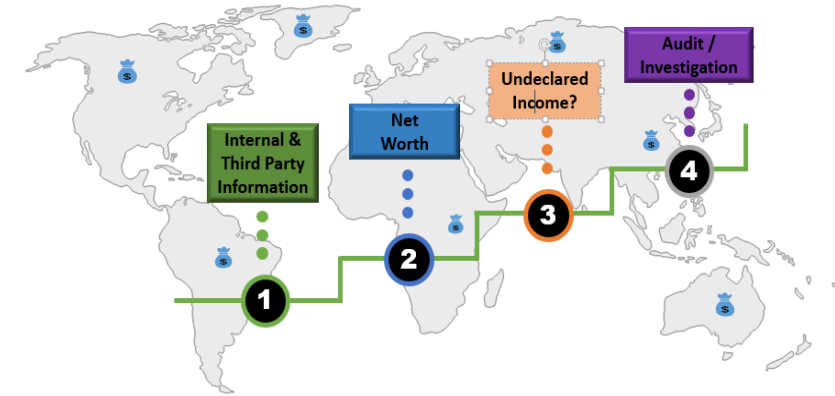
- Fair, transparent and equitable tax administration system [enhance public confidence in the tax system]

New Sources of Revenue

Rationalizing Tax Incentives for Investment

- 130 types of incentives [administered by 32 Investment Promotion Agencies : IPAs]

UNEXPLAINED EXTRAORDINARY WEALTH

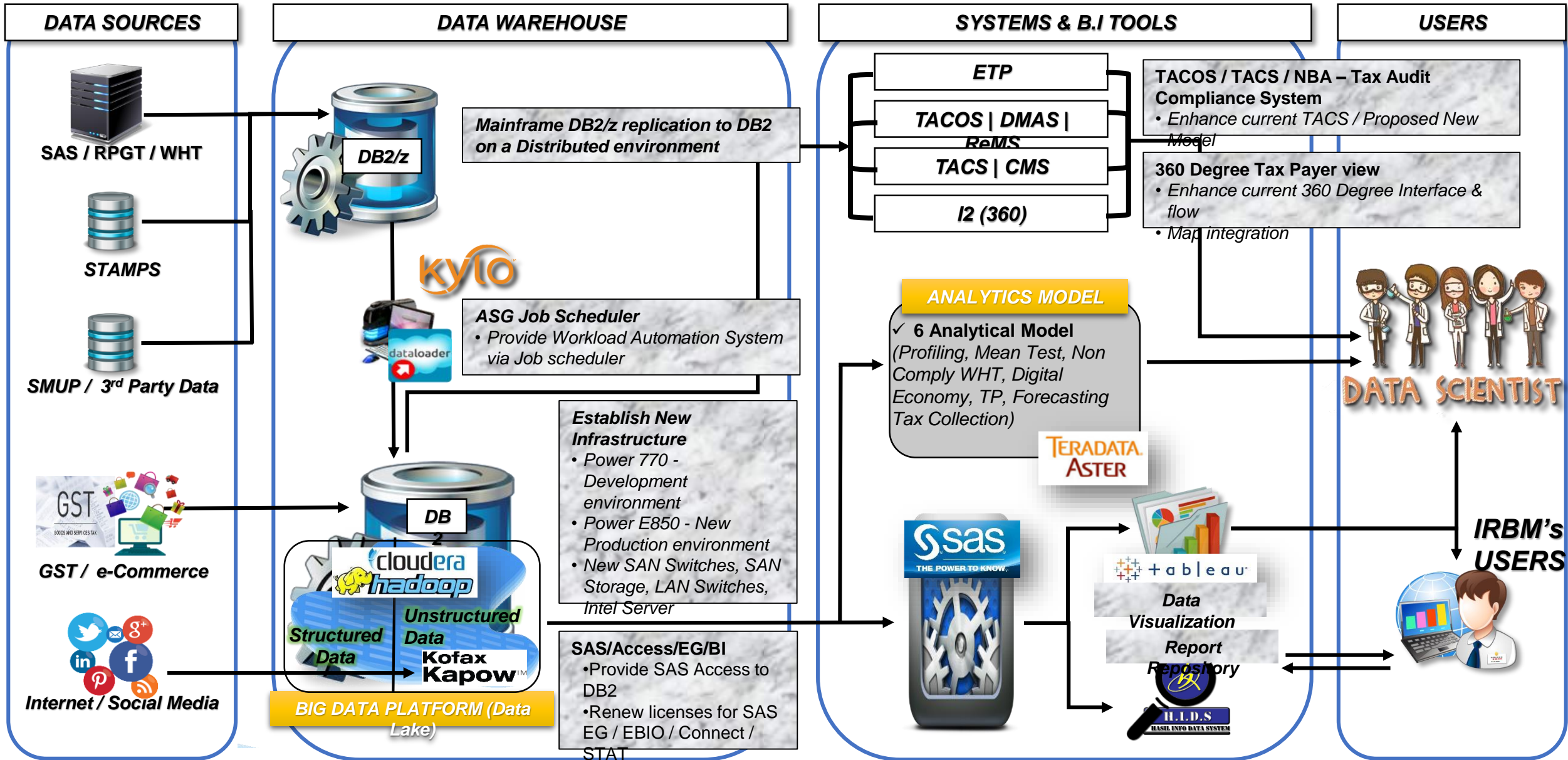


INLAND REVENUE BOARD MALAYSIA

TAX INVESTIGATION FRAMEWORK



BLUEPRINT HASIL POWER DATA



SPECIAL VOLUNTARY DISCLOSURE PROGRAMME



Efficient tax system

1. Broaden tax base
2. Increase compliance rate
3. Increase revenue
4. Instill public confidence in the tax system



Period / Penalty

1. 3 November to 31 March 2019 – 10%
2. 1 April to 30 June 2019 – 15%
3. 1 July 2019 onwards – 80% till 100% or 300%



Income reported for YA 2017 & preceding years

1. Income Tax Act, 1967
2. Petroleum (Income Tax) Act, 1967
3. Real Property Gains Tax 1976
4. Stamp Act 1949



Types of taxpayers

1. Non registered taxpayers
2. Registered taxpayers but have not submitted ITRF
3. Registered taxpayers, filed in ITRF but did not report correct information on income or disposal of assets
4. Persons who failed to pay stamp duty on instruments after 6 months from stamping period

WAY FORWARD

Malaysia A New Dawn



- Responsible taxpayers**
 1. Register in the tax system
 2. Assess tax liabilities accurately
 3. File tax returns in time
 4. Pay the right amount
- Registered tax agents**
 1. Assist taxpayers in their tax obligations
 2. Advise taxpayers on any tax issues
 3. Facilitate improvement of tax compliance
- Efficient tax system**
 1. Collect taxes for the government
 2. Verify the accuracies of tax returns
 3. Conduct enforcement activities
 4. Engaging with taxpayers / tax agents to enhance tax compliance



MALAYSIA



**THANK
YOU!**