

Luther.

Malaysia News:

Update on audit requirements: the Internal Revenue Board (“IRB”) maintains the requirement submitting a tax return based on audited accounts under the Income Tax Act (“ITA”) 1967.

January 2018

Update on audit requirements: the Internal Revenue Board (“IRB”) maintains the requirement submitting a tax return based on audited accounts under the Income Tax Act (“ITA”) 1967.

In application with Section 267 (2) of the Company Act 2016 (“CA 2016”), the local Registrar namely Suruhanjaya Syarikat Malaysia (SSM) set forth an audit exemption applicable to certain qualifying private companies. Indeed, in its Practice Directive (PD) No. 3/2017, dormant, zero-revenue and threshold-qualified private companies are eligible to elect for audit exemption if the companies fulfil certain criteria and conditions as set out in the PD.

Despite the SSM's initiative, the IRB has refused to follow the initiative and has no intention on amending Section 77A (4) of the Income Tax Act 1967 (“ITA 1967”).

Although CA 2016 gives exemption to certain private companies from submitting audited accounts to SSM, the requirement of submitting a tax return based on audited accounts therefore remains in force under the ITA 1967. The IRB expects of all companies, including those which would otherwise be eligible for audit exemption under the CA 2016, to submit a tax return based on audited accounts.

Your Contacts

German Desk



Pascal Brinkmann, LL.M. (Stellenbosch)
Managing Director
Luther Corporate Services Sdn. Bhd.
Malaysia
Phone +60 3 2166 0085
pascal.brinkmann@luther-services.com

French Desk



Caroline Pelaez
Head of French Desk
Luther Corporate Services Sdn. Bhd.
Malaysia
Phone +60 3 2166 0085
caroline.pelaez@luther-services.com

Imprint

Luther Rechtsanwaltsgesellschaft mbH, Anna-Schneider-Steig 22,
50678 Cologne, Phone +49 221 9937 0, Fax +49 221 9937 110,
contact@luther-lawfirm.com

Editor: Caroline Pelaez, Head of French Desk, Unit 17-2, Level 17, Wisma UOA II,
No. 21, Jalan Pinang, Phone: +60 (0)3-21660085,
caroline.pelaez@luther-services.com

Copyright: These texts are protected by copyright. You may make use of the
information contained herein with our written consent, if you do so accurately and
cite us as the source. Please contact the editors in this regard
contact@luther-lawfirm.com

Disclaimer

Although every effort has been made to offer current and correct information,
this publication has been prepared to provide information on recent regulatory
and legal developments in Malaysia only. It is not exhaustive and thus does not
cover all topics with which it deals. It will not be updated and cannot substitute
individual legal and/or tax advice. This publication is distributed with the
understanding that Luther, the editors and authors cannot be held responsible for
the results of any actions taken on the basis of information contained herein or
omitted, nor for any errors or omissions in this regard.

Luther Corporate Services Sdn. Bhd.

Luther Corporate Services, the Corporate Services arm of Luther lawfirm enables us to offer our clients a “one-stop” solution for all their business needs. Our accountants, company secretaries and tax consultants provide the whole range services, which our clients expect from such a one-stop concept, from corporate secretarial services, outsourced administration, payroll and accounting to tax compliance. We assist our clients comprehensively in all stages of a business lifecycle, from the formation of a business vehicle, to ongoing support and statutory compliance matters and to the dissolution of a company.

Delhi-Gurgaon, Kuala Lumpur, Shanghai, Singapore, Yangon

Luther Corporate Services Sdn Bhd (872040W) | Unit 17-2, Level 17 | Wisma UOA II | No. 21, Jalan Pinang | 50450 Kuala Lumpur | Malaysia
Phone +60 3 2166 0085 | Fax +60 3 2166 0087

Your contact:

Pascal Brinkmann, pascal.brinkmann@luther-services.com

Further contacts can be found on our website www.luther-services.com.



Hits the mark. Luther.

