



MEDIA RELEASE

For Immediate Release

INCOME TAX EXEMPTION TO RELIGIOUS INSTITUTIONS OR ORGANISATIONS – INCOME TAX (EXEMPTION) ORDER 2017 [P.U.(A) 52/2017]

1. The Finance Minister has issued an exemption order under paragraph 127(3)(b) of the Income Tax Act 1967 [Act 53] to exempt from the payment of tax all income received by any religious institutions or organisations established in Malaysia exclusively for the purpose of religious worship or advancement of religion and is not conducted for profit.
2. A religious institution or organisation that is eligible for an exemption under the said order must be registered with the Registrar of Societies or under any written law governing such institution or organisation. The registration pre-condition to get the exemption is in tandem with the government's intention that religious institutions be well governed and not misused by irresponsible parties.
3. For the avoidance of doubt, the exemption order also applies to any religious institutions or organisations established under any written law governing those institutions or organisations.

4. The exemption order was gazetted on 15 February 2017 and comes into force from the Year of Assessment 2017. The exemption provided for under the order is in line with the amendment of paragraph 13(1)(b) of Schedule 6 of the Income Tax Act 1967 (Act 53) which had been laid down & approved by the previous Parliament session.

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THANK YOU



Issued by:

**Director General of Inland Revenue
Inland Revenue Board of Malaysia**

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