

## FREQUENTLY ASKED QUESTION SPECIAL PROGRAM FOR VOLUNTARY DISCLOSURE

QUESTION	ANSWER														
<b>A. INTRODUCTION / PURPOSE OF SPECIAL PROGRAM ON VOLUNTARY DISCLOSURE</b>															
1	<p>What is Special Program for Voluntary Disclosure?</p> <p>Special Program for Voluntary Disclosure is part of our government's effort in reforming the tax system to encourage taxpayers to come forward on voluntary basis to report the actual income in order to increase tax collection for the development of nation.</p> <p>Voluntary Disclosure covers the following:</p> <ul style="list-style-type: none"> <li>a) income not previously declared / expenses over claimed / expenses not allowable and reliefs / deductions / rebates over claimed</li> <li>b) reporting of gains on disposal of assets (property and real property company shares; and</li> <li>c) stamping of unstamped instruments.</li> </ul>														
2	<p>Why should I take advantage of this Special Program?</p> <p>Under this Special Program, lower penalty rates are imposed as compared to the current practices. The penalty rates are as follow:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Voluntary Disclosure Period</th> <th style="text-align: center;">Penalty Rate</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">03/11/2018 – 31/03/2019</td> <td style="text-align: center;">10%</td> </tr> <tr> <td style="text-align: center;">01/04/2019 – 30/06/2019</td> <td style="text-align: center;">15%</td> </tr> </tbody> </table> <p>Higher penalties rates will be imposed after the expiry of Special Program as follow:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Relevant Provison</th> <th style="text-align: center;">Penalty Rate</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Subsection 112(3) ITA / Subsection 51(3) PITA / Subsection 29(3) RPGTA</td> <td style="text-align: center;">80% - 300%</td> </tr> <tr> <td style="text-align: center;">Subsection 113(2) ITA / Subsection 52(2) PITA / Subsection 30(2) RPGTA</td> <td style="text-align: center;">80% - 100%</td> </tr> <tr> <td style="text-align: center;">Subsection 47A(1) of SA</td> <td style="text-align: center;">On deficient duty paid</td> </tr> </tbody> </table>	Voluntary Disclosure Period	Penalty Rate	03/11/2018 – 31/03/2019	10%	01/04/2019 – 30/06/2019	15%	Relevant Provison	Penalty Rate	Subsection 112(3) ITA / Subsection 51(3) PITA / Subsection 29(3) RPGTA	80% - 300%	Subsection 113(2) ITA / Subsection 52(2) PITA / Subsection 30(2) RPGTA	80% - 100%	Subsection 47A(1) of SA	On deficient duty paid
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3	<p>Is the Special Program on Voluntary Disclosure offered annually?</p> <p>This is a Special Program, whereby voluntary disclosure can only be made from 03 November 2018 until 30 June 2019.</p>														

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4	What is the key difference between voluntary disclosure under this Special Program and the previous voluntary disclosure offer?	<b>Voluntary Disclosure</b>	<b>Action by IRBM</b>
		Previous	Upon voluntary disclosure, taxpayers may be audited on the reported issues.
		Special Program (03/11/22018 – 30/06/2019)	IRBM will accept the voluntary disclosure made in good faith. Further review will not be made on the reported information.
5.	Under this program, am I allow to claim expenses that I have not previously claimed?	Not qualified. This Special Program does not open for voluntary disclosure on expenses underclaimed that involved reduced assessment or refund. However appeal on the expenses that was not previously claimed can be made in accordance with the existing appeal procedures in force.	
6	I have received a Notice of Estimated Assesment for the year of assessment 2017 where IRBM has estimated my income higher than my actual income. Do I qualify under this program?	This Special Program is open for voluntary disclosure on income not previously reported. However, the tax return form for the year of assessment 2017 has to be submitted. IRBM will review the form and assessment will be revised accordingly.	
<b>B. CATEGORIES OF TAXPAYERS</b>			
7	Who are eligible for making voluntary disclosure under this Special Program?	The following taxpayers are eligible for making voluntary disclosure under this Special Program: (1) Taxpayers who are not registered with the IRBM; (2) Taxpayers who are registered with IRBM but have not submitted ITRF / PRF / RPGTRF for any year of assessment; (3) Taxpayers who have submitted the ITRF / PRF / RPGTRF but did not report the correct information on the income / disposal of asset(s) for any year of assessment; and (4) Persons who failed to stamp executed instruments after six (6) months from the stamping period (30 days from the date of execution of instruments).	
8	Is this Special Program on Voluntary Disclosure offered for non resident taxpayers?	This Special Program is open to all categories of taxpayers whether resident or non resident.	

	<b>QUESTION</b>	<b>ANSWER</b>
9	If I have made a voluntary disclosure prior to this voluntary disclosure period and the IRBM has not raised the additional tax assessment, am I eligible for this offer under this Special Program?	Taxpayers are advised to resubmit the same voluntary disclosure during this voluntary disclosure period to enable them benefit from the lower penalty rates.
10	Does this Special Program includes cases related to withholding tax issues?	Provisions related to withholding tax are not included in this Special Program.
11	Can a person make voluntary disclosure on behalf of the deceased?	Only an executor for the estate of the deceased individual can make voluntary disclosure on behalf of the deceased.
12	Can an employer who failed to remit the Schedular Tax Deduction (STD) for employees benefits from this Special Program?	This offence does not form part of the Special Program.  However, employers are allowed to remit the STD payable based on the prevailing provisions of the law .
<b>C. YEARS OF ASSESSMENT</b>		
13	How many years of assessment can the voluntary disclosure be made?	Voluntary disclosure applies to income reported for the year of assessment 2017 and preceding years of assessment as well as instruments not stamped after six (6) months from the stamping period.
14	If a person has reported income via ITRF for year of assessment 2018, can the person make voluntary disclosure on unreported income under this Special Program?	Voluntary disclosure can be made for year of assessment 2018 but penalty is imposed based on the current rules and regulations in force.
15	Is time bar applicable for voluntary disclosure cases?	Yes, any income reported under voluntary disclosure will be assessed based on the year of assessment received / receivable.
16	Will the unreported income from prior years be taxed in the year of assessment income received under this Special Program?	All voluntary disclosures of income for year of assessment 2017 and preceding years of assessment will be assessed based on the year in which the income is received / receivable.  However, where the year to which the income relates cannot be verified, the reporting of the income in the year of assessment 2017 may be allowed.

	QUESTION	ANSWER
17	If I am to report all income from preceding years in the year of assessment 2017, am I required to submit the forms for the earlier years of assessment?	If a person elect to report all income from preceding years in the year of assessment 2017, the following is required: (1) Submit the return form for year of assessment 2017 and report the total amount of income for 2017 and all previous years concerned; and (2) Submit the return forms for all the previous year of assessment concerned and report zero (0) income for those years.
<b>D. AUDIT / INVESTIGATION CASES</b>		
18	Are taxpayers subject to audit after voluntary disclosure made under this Special Program?	IRBM will accept in good faith all voluntary disclosures made during the Special Program period. Further review will not be made on the reported information.
19	Is a person who made voluntary disclosure on an issue be subject to audit on the same issue?	If additional information from third party shows that the income has not been correctly reported and the information is within the taxpayer's knowledge, penalty will be imposed as per current rules and regulations in force.
20	I have received Audit Commencement Letter and I wish to make a voluntary disclosure. Will IRBM continue with verification and scrutiny on my business?	An audit examination may be carried out on taxpayer if the voluntary disclosure made is not in line with the audit issue.
21	If I have made a voluntary disclosure and subsequently the IRBM received information from third parties, will there be an audit?	If additional information from third party shows that income has not been correctly reported and the information is within the taxpayer's knowledge, an audit may be conducted.
<b>E. VOLUNTARY DISCLOSURE PROCEDURES</b>		
22	Can the voluntary disclosure be made via telephone and social media such as whatsapp?	(1) Taxpayers who are not registered with the IRBM have to firstly register for an income tax reference number and thereafter submit the ITRF/ PRF/ RPGTRF for the relevant years of assessment;  (2) Taxpayers who are registered with IRBM but have not submitted ITRF / PRF / RPGTRF for any year of assessment are required to submit the relevant forms; and  (3) Taxpayers who have submitted the ITRF / PRF / RPGTRF but did not report the correct income / profit on disposal of asset(s) for any year of assessment can make voluntary disclosure in writing or via email.

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23	I am not a registered taxpayer with IRBM. How can I register to obtain an income tax reference number? What are the documents required for the registration?	<p>Taxpayers may register for an income tax registration number:</p> <p>(1) At all service counters (Headquarter / Branch/Revenue Service Centre/UTC/PPM) - Please bring identification documents and other relevant documents (please refer IRBM Official Portal); or</p> <p>(2) Online via e-Daftar - For companies and individuals only.</p>
24	Is there a specific form need to be filled up when making voluntary disclosure?	<p>There is no specific form for voluntary disclosure. Taxpayers are required to submit the ITRF manually or via e-filing.</p> <p>For those who have filed the tax return, voluntary disclosure can be made in writing or via email.</p>
25	Can I make a voluntary disclosure via Amended Return Form?	No. Please refer answer for Question 24 above.
26	I have not filed in ITRF for years of assessment 2017 and prior years of assessment but have submitted voluntary disclosure in writing or email. Is it compulsory to submit the ITRF?	<p>Yes, it is compulsory to submit the ITRF/PRF/RPGTRF as below:</p> <ul style="list-style-type: none"> <li>• ITRF: e-Filing / manual</li> <li>• PRF: manual</li> <li>• RPGTRF: e-Lodgement / manual</li> </ul>
27	I would like to make a voluntary disclosure but I dont have a tax file. What shall I do?	Taxpayers who are not registered with the IRBM have to register for an income tax number and must submit the ITRF/PRF/RPGTRF within the Special Program Period for each year of assessment involved.
28	I have not registered my business with Companies Commission of Malaysia (CCM). Can i make a voluntary disclosure under this Special Program?	Taxpayers can make a voluntary disclosure as they fall into the categories of taxpayers who are unregistered with the IRBM.
29	Can I make a voluntary disclosure based on Management Accounts as the audit report is not ready?	<p>Yes. IRBM will accept in good faith all voluntary disclosures made during the Special Program period. Further review will not be made on the reported information.</p> <p>If additional information from third party shows that the income has not been correctly reported and the information is within the taxpayer's knowledge, penalty will be imposed as per current rules and regulations in force.</p>

	<b>QUESTION</b>	<b>ANSWER</b>
30	Is it compulsory to furnish supporting documents together with voluntary disclosure?	For taxpayers who have submitted the return forms, relevant documents (if any) can be furnished to support the voluntary disclosure.
31	I would like to make a voluntary disclosure but if my documents are in other enforcement agencies' possession or destroyed, how can I make a voluntary disclosure?	<p>Taxpayers may seek for an advice and assistance from any IRBM officer at the nearest branch.</p> <p>IRBM will accept in good faith all voluntary disclosures made during the Special Program period. Further review will not be made on the reported information.</p> <p>If additional information from third party shows that the income has not been correctly reported and the information is within the taxpayer's knowledge, penalty will be imposed as per current rules and regulations in force.</p>
32	For unregistered taxpayers, what are the documents/information needs to be furnished in the voluntary disclosure?	<p>For individual / company who are not registered with IRBM, voluntary disclosure must be submitted through ITRF / PRF /RPGTRF.</p> <p>New taxpayers have to register for an income tax number. The completed ITRF / PRF / RPGTRF has to be signed at the declaration section.</p> <p>Please refer to our IRBM Official Portal regarding registration procedures.</p>
33	Can I make a voluntary disclosure although I'm still not in a taxable position?	<p>Taxpayers can seek advice from the IRBM to determine whether they are taxable or otherwise.</p> <p>If eligible for tax, the taxpayer must:</p> <ol style="list-style-type: none"> <li>i. register income tax file;</li> <li>ii. declare income in ITRF; and</li> <li>iii. furnish ITRF to IRBM.</li> </ol>
<b>F. PENALTY RATES</b>		
34	A company would like to make an adjustment on the capital allowance claim and business loss absorption in year of assessment 2017 resulting in no tax payable. However, this adjustment will result in additional tax payable for year of assessment 2018. In this case, is the special penalty rates applicable for the year of assessment 2018 under this Special Program?	<p>Adjustment for year of assessment 2018 has to be submitted together with the voluntary disclosure for year of assessment 2017.</p> <p>Penalty will be imposed based on the term stated in the Special Program.</p>

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35	Why isn't there a full waiver of penalty under this Special Program?	Penalty imposed are subject to the current policy of the Government.						
36	Can the voluntary disclosure be made more than once? If yes, what are the penalty rates applicable?	<p>Yes. Taxpayers are allowed to make voluntary disclosure more than once but the penalty rates applicable within this Special Program is as per below:</p> <table border="1"> <thead> <tr> <th>Voluntary Disclosure Period</th> <th>Penalty Rates</th> </tr> </thead> <tbody> <tr> <td>03/11/2018 – 31/03/2019</td> <td>10%</td> </tr> <tr> <td>01/04/2019 – 30/06/2019</td> <td>15%</td> </tr> </tbody> </table>	Voluntary Disclosure Period	Penalty Rates	03/11/2018 – 31/03/2019	10%	01/04/2019 – 30/06/2019	15%
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37	For the voluntary disclosure submitted via mail within the Voluntary Disclosure period but the IRBM received after the Voluntary Disclosure period, is the penalty under the Special Program still applicable?	<p>For the taxpayers who submitted their voluntary disclosure via mail, the date of documents/letter received by Mail Unit in IRBM will be deemed as the date of voluntary disclosure.</p> <p>Taxpayers are advised to ensure that their voluntary disclosures received by the IRBM within the stipulated period in order to enjoy the penalty rate offered in the Special Program.</p>						
<b>G. OTHER ISSUES</b>								
38	I have overclaimed relief/ rebate. Can I make a voluntary disclosure to revise the relief/rebate claim?	Taxpayers are allowed to submit a voluntary disclosure to revise the overclaimed relief/rebate.						
39	Is this Special Program applicable for additional assessment only?	This Special Program is only applicable for original assessment / additional assessment.						
40	If I want to make a voluntary disclosure on under-reported income, can I claim the incidental expenses and reliefs against the income?	Any incidental expenses / relief / rebate can be claimed in the year of assessment the income is reported.						
41	Can the zakat paid allowed to be deducted from additional tax arising from additional income reported under the voluntary disclosure?							
42	If I report income from illegal activities to the IRBM under this Special Program, will the IRBM report to the relevant agencies on my illegal activities?	The IRBM is bound by confidentiality of taxpayers information pursuant to Section 138, Income Tax Act 1967.						
<b>H. APPEALS</b>								
43	If my case is under trial in SCIT, can I still make a voluntary disclosure?	Taxpayers are allowed to make a voluntary disclosure on issues not related to the case under trial in SCIT.						

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44	Can taxpayers appeal for waiver of penalties / reduction of penalties for the cases under voluntary disclosure?	Penalty rates are final. However, taxpayers still can file in their appeals according to the prevailing provisions of the law.						
<b>I. CONTACTS</b>								
45	Can the voluntary disclosure be made in Revenue Service Centre or Urban Transformation Centre?	Taxpayers are allowed to make voluntary disclosure at any IRBM office including Revenue Service Centre and Urban Transformation Centre (UTC).						
46	Can I seek advice from any IRBM officers before making any voluntary disclosure?	Taxpayers may seek advice and guidance from IRBM officers in any branch before making voluntary disclosures.						
47	Should I have any queries or need any clarification pertaining voluntary disclosures, who can I contact?	Taxpayers can contact: (i) Nearest IRBM offices; (ii) IRBM Hasil Care Line: - 1-800-88-5436 - 603-77136666 (Overseas) (iii) E-mail : <a href="mailto:pengakuansukarela@hasil.gov.my">pengakuansukarela@hasil.gov.my</a>						
<b>J. TAX PAYMENT</b>								
48	When is the due date for payment of tax under this Special Program?	The due dates for the payment of tax for the Special Program on Voluntary Disclosure are as per below: <table border="1" data-bbox="794 1146 1350 1294"> <thead> <tr> <th>Voluntary Disclosure Period</th> <th>Payment On Or Before</th> </tr> </thead> <tbody> <tr> <td>03/11/2018 – 31/03/2019</td> <td>01/04/2019</td> </tr> <tr> <td>01/04/2019 – 30/06/2019</td> <td>01/07/2019</td> </tr> </tbody> </table>	Voluntary Disclosure Period	Payment On Or Before	03/11/2018 – 31/03/2019	01/04/2019	01/04/2019 – 30/06/2019	01/07/2019
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01/04/2019 – 30/06/2019	01/07/2019							
49	I have made a voluntary disclosure during this Special Program. Do I have to wait for the notice of assessment before paying the tax?	Taxpayers do not have to wait for notice of assessment. Payments should be settled before the period of voluntary disclosure ends to avoid tax increases based on the prevailing provisions of the law.						
50	If tax payable as per the voluntary disclosure is not paid within this Special Program period, what is the consequence?	Taxpayers who fail to settle the tax balance at the end of the stipulated period, the tax increase will be imposed according to the prevailing provisions of the law.						
51	If tax payable as per the voluntary disclosure is not paid within this Special Program period, will legal action be taken?	If tax arrears are still unpaid, legal action will be taken accordingly.						
52	I have made a voluntary disclosure on 20/02/2019 and tax payments as follow:	Full payment must be made before or on 01/04/2019. The IRBM may impose an increase in tax pursuant to Section 103 Income Tax Act 1967						



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	RM									
Tax payable	10,000									
(-) First payment (25/02/2019)	(5,000)									
(-) Second payment (25/04/2019)	(5,000)									
53	<p>What are the payment codes necessary for the payment at IRBM counters or banks?</p>	<p>The following are payment codes necessary for making tax payment at IRBM counters or banks:</p> <ul style="list-style-type: none"> <li>084 – Individual instalment tax payment</li> <li>086 – Company instalment tax payment</li> <li>088 – Advance tax payment / Composite assessment instalment tax payment</li> <li>090 – RPGT payment</li> <li>095 – Income tax payment in bank (excluding instalment scheme)</li> <li>161 – Petroleum tax payment</li> </ul> <p>For further information, please refer IRBM Official Portal (<a href="http://www.hasil.gov.my">www.hasil.gov.my</a>).</p>								
<b>K. STAMP DUTY AND RPGT</b>										
54	<p>Do the instruments need to be submitted when making voluntary disclosure?</p>	<p>For the voluntary disclosure in relation to the Stamp Duty case, taxpayers are required to furnish instruments either manually or via online.</p>								
55	<p>What is the meaning of manual stamping and online stamping?</p>	<p>Manual stamping is:</p> <ul style="list-style-type: none"> <li>i. Revenue stamp</li> <li>ii. Finance Receipt 38</li> <li>iii. Digital Franking System (DFS)</li> </ul> <p>Online stamping is:</p> <ul style="list-style-type: none"> <li>i. Stamps Assessment and Payment System (STAMPS)</li> </ul>								
56	<p>What is the stamping period?</p>	<p>Stamping period is 30 days from the execution of instruments.</p>								
57	<p>If there are more than 1 disposal of asset (real property or real property shares) in the same year, how many Form CKHT1A/1B needs to be submitted?</p>	<p>Disposer (taxpayer) is required to submit separate Form CKHT1A/1B for each disposal asset.</p>								

Updated on: 05 November 2018