

INTERMEDIATE LEVEL PERSONAL TAXATION

OBJECTIVE:

1. To test the understanding of the basic concepts and principles of taxation.
2. To examine the application of tax fundamentals (including reference to case law) of Malaysian income tax of individuals.

CONTENTS:

(A) Scope and Basis

1. Taxation as a source of government revenue
2. Understanding of general system of taxation in Malaysia
3. Scope of charge
4. Classes of income chargeable to tax
5. Exemptions
6. Chargeable persons
7. Tax rates
8. Taxation of income from sole proprietorship

(B) Residence of Individuals

1. Determination of residence status
2. Significance of residence status

(C) Employment Income

1. Meaning of employment
2. Distinction between contract of service and contract for services
3. Gains or profits from employment
4. Basis of assessment
5. Valuation of benefits-in-kind
6. Deductible expenses
7. Compensation for loss of office
8. Gratuities, Golden handshakes
9. Share options, incentive schemes and profit sharing schemes
10. Exemptions

(D) Other Sources of income

1. Dividends
2. Interest
3. Discounts
4. Rents
5. Royalties
6. Premiums
7. Pensions
8. Periodical payments
9. Annuities
10. Other gains or profits
11. Basis of assessment
12. Deductible expenses (excluding business source)
13. Non-deductible expenses (excluding business source)

(E) Personal Reliefs and Rebates

(F) Computation of Tax Liability

1. Taxation of husband and wife
2. Determination of chargeable income
3. Computation of tax payable
4. Separate assessment and combined assessment

(G) Tax Administration

1. Organizational structure of the Ministry of Finance, Inland Revenue Board and the Royal Customs & Excise Department
2. Duties and powers of the Director General of Inland Revenue
3. Duties and Powers of Special Commissioners.
4. Returns and Assessments
5. Monthly deduction and final tax
6. Collection and recovery
7. Appeals
8. Offences and penalties

READING LIST- PERSONAL TAXATION

1. Jeyapalan Kasipillai. **A Guide to Malaysian Taxation.** (Latest edition)
2. Veerinderjeet Singh. **Veerinder on Malaysian Tax Theory and Practice.** (Latest edition)
3. Choong Kwai Fatt. **Malaysian Taxation Principles & Practice.** (Latest edition)
4. Alan Yeo. **Malaysian Taxation.** (Latest edition)
5. **Income Tax Act 1967** (Latest Reprint).
6. **Public Rulings and Operational Guidelines** (Latest Reprint).
7. **Tax Guardian**, Journal of the Chartered Tax Institute of Malaysia
8. **Budget Commentary & Tax Information** by CTIM-MIA-MICPA.