

TAXATION ON INDIVIDUAL BUSINESS INCOME

TAXATION on employment income can be easily determined if an individual has monthly tax deduction (MTD) by the employer from his monthly salary.

For people in this category, annual income exceeding RM37,333 after Employees Provident Fund (EPF) deduction can also be an indicator for calculating tax liability.

But how is taxation of business income for individuals determined?

Profit from business is not necessarily consistent every month. So, what do we need to know about taxation on individuals with business income?

Individual subject to business income tax

Taxation on business income is imposed on businesses or professions that receive money, including YouTubers, the Instafamous, influencers or those who do paid reviews and others.

The list of taxable income for individuals can be found at www.hasil.gov.my. Just type "When is taxable?" or "Bila dikenakan cukai?" in the search box on the main page of the HASiL portal.

For this category, there is no minimum income threshold to be taxed. Therefore, you need to register your income tax file as soon as the business is registered or a career is started.

Concerns about declaring income

There are people who refuse to declare their income to the Inland Revenue Board of Malaysia (HASiL) due to concerns about having to pay high amount of taxes.

Income tax is levied on individuals at rates from 0% to 30% depending on the reported income.

This means that the higher the income, the higher the tax rate and vice versa. So, there is no worries on declaring income.

Taxable income can be reduced by claiming for all business expenses and eligible tax reliefs.

You can also claim for all expenses incurred during generating income as deduction from income calculation.

But take note that personal expenses or capital expenses are not eligible for relief.

Don't know how to get started?

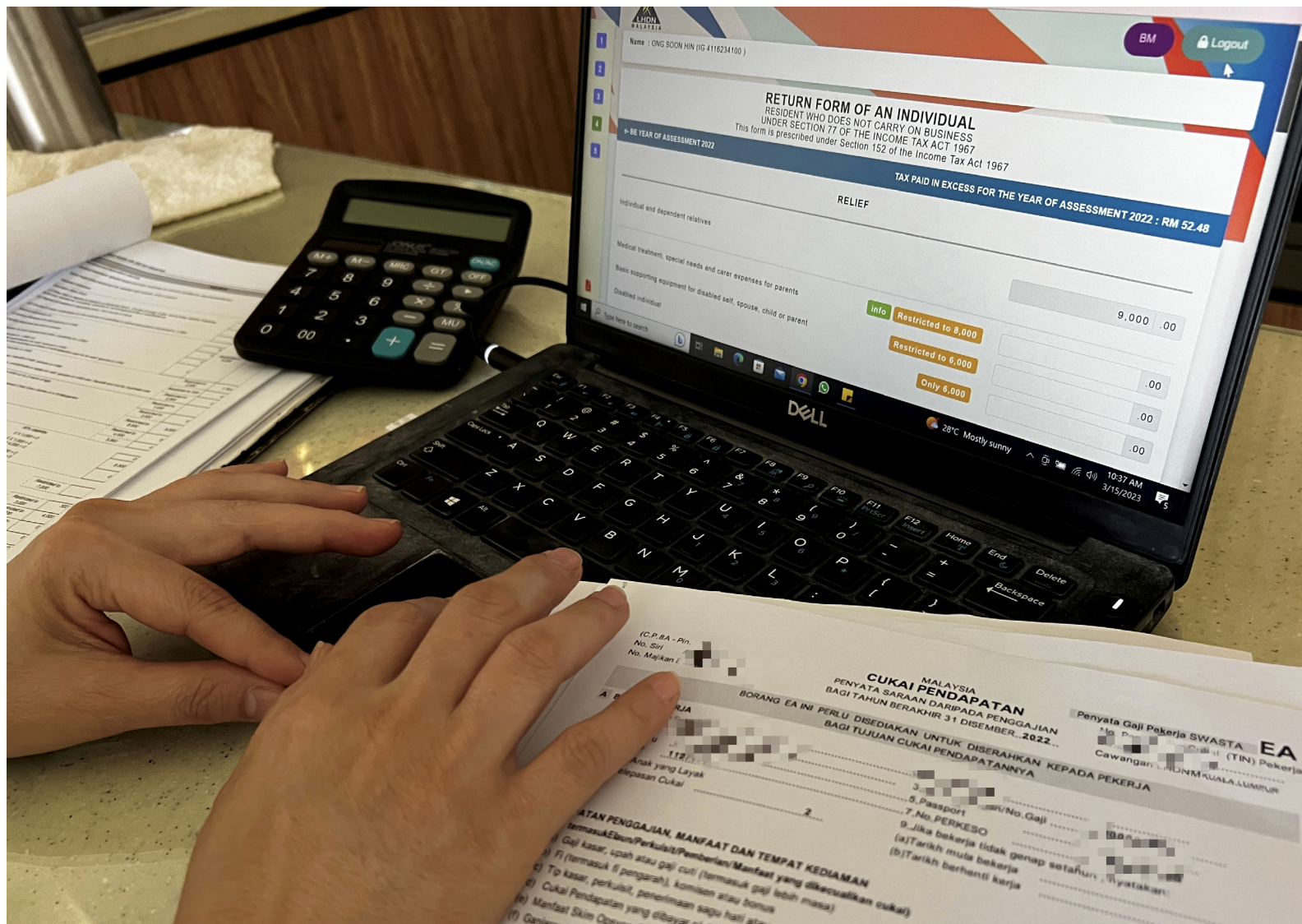
Don't worry, HASiL can help. If you wish to have group taxation advice for companies, associations and others, you can apply to HASiL to conduct a briefing at your location or online.

Just email taxeducation@hasil.gov.my for this request.

Why should you report and pay income tax?

Reporting and paying income tax is an obligation of all citizens who are eligible for taxation

This category includes YouTubers, the Instafamous, influencers, reviewers, etc



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under the country's taxation law.

By paying taxes, you actually help yourself to verify your income for official purposes and it is easy to receive government assistance – for example, financial applications for purchasing a house or vehicle.

Through tax reporting, you contribute to the country's development including for national security, public facilities, health services, education and welfare which benefit all Malaysians including yourself.

So, let's fulfill our obligations as responsible taxpayers for the well-being of ourselves and the nation.

SVDP 2.0: Special Voluntary Disclosure Programme

This is an opportunity for those who have never reported taxes.

Now is the time for new taxpayers who have business income or gains on disposal assets but never declared income to HASiL.

You can declare income through the Special Voluntary Disclosure Programme (SVDP) 2.0 from now until May 31, 2024. SVDP 2.0 is offered to all categories of taxpayers except employers.

No penalty will be imposed, and no audit or further investigation will be conducted for the assessment years related to voluntarily income declared under this programme.

HASiL TAX INFO

Delivery of Tax Briefing under the Jom Klik HASiL Programme is a complimentary initiative to encourage voluntary compliance of income tax

METHODS OF SELECTION

FACE TO FACE | VIRTUAL

TOPICS SELECTION

HOW TO MAXIMISE YOUR TAX

- TAX WISE ENTREPRENEUR
- TAX & EXPATRIATES
- PENAMATAN PERKHIDMATAN
- BERSAMA HASIL BANGUN NEGARA
- LAYANAN PERCUKAIAN KEPADA SYARIKAT

APPLICATION REQUIREMENTS

- Any application to be made 14 working days before the programme embarks
- Minimum of 15 participants are required for each seminars
- The application is open to Employers' representative / HEI (Higher Education Institute) / Associations only
- Seminar session will be conducted in Bahasa Melayu except the one on 'Tax and Expatriates' topic
- The approval of the seminar is subject to the availability of LHDNM's speakers on the specified dates

APPLICATION METHODS

Scan the QR code or email to taxeducation@HASIL.GOV.MY

www.hasil.gov.my | facebook.com/LHDNM | @LHDNMofficial | 03-8911 1000

JABATAN KHIDMAT KORPORAT | CORPORATE SERVICES DEPARTMENT

LET'S CLICK HASIL

e-FILING

EASY | ACCURATE | SECURE

Business Income

1 June 2023 - 30 June 2023

Scan QR code for e-Filing

www.hasil.gov.my | 03-8911 1000 | Feedback Form on IRBM official portal

How to pay your taxes

1. Register your income tax file online through the e-Daftar application at mytax.hasil.gov.my if you do not have an income tax number.

2. Declare your income through the e-Filing service at mytax.hasil.gov.my. If you are a resident with business income sources, you need to select Form B. Choose Form M if you are a non-resident.

3. Pay income tax (if applicable) using ByrHASiL also at mytax.hasil.gov.my.

4. Deadline for submission of tax form for individuals with business income is June 30, 2023. For e-Filing users, the deadline is extended to July 15, 2023.

5. Keep all documents, records, and business accounts related to that taxation year for seven years, once you have completed reporting your income and paying taxes.

6. Prepare accounts and statements for other income and comply with the Notice of Instalment Payment (CP500).

7. Notify HASiL in writing if the business is terminated or if there are changes in partners.

For more information, go to www.hasil.gov.my