

## Malaysia Dispute Resolution Profile

(Last updated: 27.06.2024)

### General Information

- **Malaysia tax treaties are available at:**  
<https://www.hasil.gov.my/en/international/double-taxation-agreement/>

- **MAP request should be made to:**

**All formal requests for MAP other than BAPA/MAPA should be made in writing and addressed to:**

The Competent Authority, Headquarters of Inland Revenue Board of Malaysia, Department of International Taxation, Menara Hasil Level 12 Persiaran Rimba Permai, Cyber 8, 63000 Cyberjaya, Selangor, Malaysia.

**A copy of the request should also be sent via email to [map@hasil.gov.my](mailto:map@hasil.gov.my).**

**Concurrently, a copy of the request should be submitted to the Tax Division Office at the following address:**

The Competent Authority, Tax Division, Ministry of Finance  
6th Floor, Centre Block, Precint 2, Federal Administration Centre, 62592 Putrajaya, Malaysia

- **APA request should be made via a prescribed form. The prescribed form can be downloaded from IRBM's website at <https://www.hasil.gov.my/en/international/advance-pricing-arrangement/>**
- **All APA applications should be addressed to:**  
Department of International Taxation, Inland Revenue Board of Malaysia, Menara Hasil Level 12 Persiaran Rimba Permai, Cyber 8, 63000 Cyberjaya, Selangor, Malaysia.

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>A. Preventing Disputes</b>				
1.	Are agreements reached by your competent authority to resolve difficulties or doubts arising as to the interpretation or application of your tax treaties in relation to issues of a general nature which concern, or which may concern, a category of taxpayers published?	No	-	-
2.	Are bilateral APA programmes implemented? If yes:	Yes	Income Tax (Advance Pricing Arrangement) Rules 2023 [P.U. (A) 166] & Advance Pricing Arrangement Guidelines 2024 are available at the Official Portal of Inland Revenue Board of Malaysia.	Income Tax (Advance Pricing Arrangement) Rules 2023 [P.U. (A) 166] <a href="https://www.hasil.gov.my/media/oe2pq3in/income-tax-advance-pricing-arrangement-rules-2023.pdf">https://www.hasil.gov.my/media/oe2pq3in/income-tax-advance-pricing-arrangement-rules-2023.pdf</a> Advance Pricing Arrangement Guidelines 2024 <a href="https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf">https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf</a>
a.	<ul style="list-style-type: none"> <li>Are roll-back of APAs provided for in the bilateral APA programmes?</li> </ul>	Yes	Roll-back for bilateral APAs are applicable up to three (3) years.	Paragraph 17 of the Advance Pricing Arrangement Guidelines 2024 <a href="https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf">https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf</a>
b.	<ul style="list-style-type: none"> <li>Are there specific timeline for the filing of an APA request?</li> </ul>	Yes	A request for a pre-filing meeting should be made in writing twelve (12)	Rules 4 & 5 of the Income Tax (Advance Pricing Arrangement) Rules 2023 [P.U. (A) 166]

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			months prior to the first day of the proposed covered period. Upon receiving notification from IRBM of the agreement to file an APA, the application should be submitted within six (6) months of receiving the notification.	<a href="https://www.hasil.gov.my/media/oe2pq3in/income-tax-advance-pricing-arrangement-rules-2023.pdf">https://www.hasil.gov.my/media/oe2pq3in/income-tax-advance-pricing-arrangement-rules-2023.pdf</a> Paragraph 9 & 10 of the Advance Pricing Arrangement Guidelines 2024 <a href="https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf">https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf</a>
c.	<ul style="list-style-type: none"> <li>Are rules, guidelines and procedures on how taxpayers can access and use bilateral APAs, including the specific information and documentation that should be submitted in a taxpayer’s request for bilateral APA assistance, publicly available?</li> </ul>	Yes	The Guideline and procedures are available in the APA Rules and Guidelines. Additionally, the information and documentation required are covered under Rule 4 of the APA Rules and Paragraph 9 of the APA Guidelines	Income Tax (Advance Pricing Arrangement) Rules 2023 [P.U. (A) 166] <a href="https://www.hasil.gov.my/media/oe2pq3in/income-tax-advance-pricing-arrangement-rules-2023.pdf">https://www.hasil.gov.my/media/oe2pq3in/income-tax-advance-pricing-arrangement-rules-2023.pdf</a> Advance Pricing Arrangement Guidelines 2024 <a href="https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf">https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf</a>
d.	<ul style="list-style-type: none"> <li>Are there any fees charged to taxpayers for a bilateral APA request?</li> </ul>	Yes	A fee of RM5,000 or RM10,000 depending on the date of the application. Please refer to Income Tax (Advance Pricing Arrangement) Rules 2023 [P.U. (A) 166] & Advance Pricing Arrangement Guidelines 2024	Paragraph 23 of the Income Tax (Advance Pricing Arrangement) Rules 2023 [P.U. (A) 166] <a href="https://www.hasil.gov.my/media/oe2pq3in/income-tax-advance-pricing-arrangement-rules-2023.pdf">https://www.hasil.gov.my/media/oe2pq3in/income-tax-advance-pricing-arrangement-rules-2023.pdf</a>  Para 28 of the Advance Pricing Arrangement Guidelines 2024 <a href="https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf">https://www.hasil.gov.my/media/s24cwteh/malaysian-apa-guidelines-2024.pdf</a>

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
e.	<ul style="list-style-type: none"> <li>Are statistics relating to bilateral APAs publicly available?</li> </ul>	Yes	Bilateral APA statistics are published on our website. As of today, we provide statistics from 2016 to 2022.	<a href="https://www.hasil.gov.my/pautan-pantas/perkhidmatan/statistik-terbuka/">https://www.hasil.gov.my/pautan-pantas/perkhidmatan/statistik-terbuka/</a>
3.	Is training provided to your officials involved in the auditing /examination of taxpayers to ensure that any assessments made by them are in accordance with the provisions of your tax treaties?	Yes	<p>Every staff member is required to fulfil 40 hours of training on a yearly basis as part of individual and organizational key performance indicators (KPIs).</p> <p>The focus of the staff training is currently on procedural aspects, as most of the MAP staff members are considered subject-matter experts with relevant backgrounds such as transfer pricing and/or tax treaties.</p> <p>MAP staff members have also attended or will attend training organized by the OECD MTC on MAP-related topics.</p> <p>Knowledge sharing on MAP’s past experiences is conducted through informal exchanges among staff members rather than formal training sessions.</p>	The training programmes and materials are not publicly available.

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
4.	Is other information available on preventing tax treaty-related disputes?	No	-	-

**Notes:**

1. An APA is an “arrangement that determines, in advance of controlled transactions, an appropriate set of criteria (e.g. method, comparables and appropriate adjustments thereto, critical assumptions as to future events) for the determination of the transfer pricing for those transactions over a fixed period of time”. (see definition of APA in the *OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations* (“Transfer Pricing Guidelines”).

2. Situations may arise in which the issues resolved through an APA are relevant with respect to previous filed tax years not included within the original scope of the APA. The concept of “roll-back” is further elaborated in paragraph 4.136 of Section F (Advance pricing arrangement) of Chapter IV of the Transfer Pricing Guidelines and in paragraph 69 of Section D.4.2 (Possible retrospective application (“Roll back”)) of the Annex to Chapter IV (Guidelines for Conducting Advance Pricing Arrangements under the Mutual Agreement Procedure (“MAP APAs”)) of the Transfer Pricing Guidelines. Simply put, the “roll-back” of the APA is understood to mean that the outcome of the APA is applied to previous filed tax years not included within the original scope of the APA.

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>B. Availability and Access to MAP</b>				
5.	Are transfer pricing cases covered within the scope of MAP?	Yes	All treaties signed by Malaysia covers provision for mutual agreement procedure under relevant Article. MAP Access are granted to all treaty partners.	Para 5 & 6 of MAP Guidelines 2023. <a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a>
6.	Are issues relating to the application of treaty anti-abuse provision covered within the scope of MAP?	Yes	-	Para 5 & 6 of MAP Guidelines 2023. <a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a>
7.	Are issues relating to the application of domestic anti-abuse provision covered within the scope of MAP?	No	-	-
8.	Are issues where there is already an audit settlement between the tax authority and the taxpayer covered within the scope of MAP?	Yes	-	Para 5 & 6 of MAP Guidelines 2023. <a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a>
9.	Are double taxation cases resulting from bona fide taxpayer initiated foreign adjustments covered within the scope of MAP?	Yes	-	Para 5 & 6 of MAP Guidelines 2023. <a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a>

Malaysia Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
10.	Are there any other treaty related issues not covered under s/n 5 to 9 which are not within the scope of MAP?	No	-	-
11.	Are taxpayers allowed to request MAP assistance in cases where the taxpayer has sought to resolve the issue under dispute via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	Yes	Section 102(1A) of the Income Tax Act 1967:  Where a taxpayer has requested for MAP assistance, the appeal made under provision of the domestic law will be put on hold until the determination of the MAP.	Income Tax Act 1967  Paragraph 23 of the MAP Guidelines 2023  <a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a>
12.	Are taxpayers allowed to request for MAP assistance in cases where the issue under dispute has already been decided via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	No	Assessment that has been determined by the court, tax authority is bounded by the decision of the court hence prevented from providing relief through MAP appeal.	-
13.	Are rules, guidelines and procedures on how taxpayers can access and use MAP, including the specific information and documentation that should be submitted in a taxpayer's request for MAP assistance, publicly available?	Yes	The guidelines and procedures are available in the MAP Guidelines. Additionally, the information and documentation required are listed in Paragraph 9 of the MAP Guidelines.	MAP Guidelines 2023  <a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a>
14.	Are there specific timeline for the filing of a MAP request?	Yes	In general, a MAP request should be submitted within three (3) years from the first notification of the action resulting in taxation not in accordance with the provisions of the	MAP Guidelines 2023  <a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a>

Malaysia Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			relevant tax treaty. The timeframe may differ according to the specific time limit mentioned in the related DTAA.	
15.	Are guidance on multilateral MAPs publicly available?	Yes	The treatment for multilateral MAP is similar with bilateral MAP.	<p>MAP Guidelines 2023</p> <p><a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a></p>
16.	Are tax collection procedures suspended during the period a MAP case is pending?	No	-	-
17.	Are there any fees charged to taxpayers for a MAP request?	No	-	-
18.	Is there any other information available on availability and access to MAP?	No	-	-

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>C. Resolution of MAP Cases</b>				
19.	Are there any model timeframes for the steps taken by your competent authority from the receipt of a MAP case to the resolution of the case provided to taxpayers?	No	There are no such model timeframes. Nevertheless, for a smooth process, we aim to conclude such cases preferably within 24 months.	-
20.	Are statistics relating to the time taken to resolve MAP cases publicly available?	No	-	-
21.	Is interest or penalties resulting from adjustments made pursuant to a MAP agreement waived or dealt with as part of the MAP procedure?	No	-	-
22.	Are the roles and responsibility of the MAP office publicly available, for example, is the mission statement of the MAP office available in the <i>annual</i> report of the organisation?	See detailed explanation	Only roles and functions of MAP office are publicly available in the MAP Guidelines, but not in the form of a mission statement.	MAP Guidelines 2023 <a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a>
23.	Is MAP arbitration a mechanism currently available for the resolution of tax treaty related disputes in any of your tax treaties? If not:	No		-
a.	<ul style="list-style-type: none"> <li>Are there any legal limitations in your domestic law (for example in your constitution) to include MAP arbitration in your tax treaties?</li> </ul>	Yes	There is no provision for arbitration in domestic law.	-

Malaysia Dispute Resolution Profile – Implementation of MAP Agreements

b.	<ul style="list-style-type: none"> <li>Does your treaty policy allow you to include MAP arbitration in your tax treaties?</li> </ul>	No	-	The information is not available to public.
24.	<p>Is the explanation of the relationship between the MAP and domestic law administrative and judicial remedies publicly available?</p> <p>If yes:</p>	Yes	Para 23 of the MAP Guidelines 2023	<a href="https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf">https://www.hasil.gov.my/media/frdanr5d/mutual-agreement-procedure-guidelines-2023.pdf</a>
a.	<ul style="list-style-type: none"> <li>Does the guidance specifically address whether the competent authority considers that it is legally bound to follow a domestic court decision in the MAP or will not deviate from a domestic court decision as a matter of administrative policy or practice?</li> </ul>	Yes	-	-
25.	Are taxpayers allowed to request for multi-year resolution through the MAP of recurring issues with respect to filed tax years?	Yes	-	-
26.	Do all your jurisdiction's tax treaties contain a provision which would oblige your jurisdiction to make corresponding adjustments or to grant access to the MAP with respect to the economic double taxation that may otherwise result from a primary transfer pricing adjustment (i.e. is paragraph 2 of Article 9 of the OECD Model Tax Convention or the UN Model Double Taxation Convention included in all of your jurisdiction's tax treaties)?	No	Although there are 2 DTAA's without Article 9(2) or its equivalent, access to MAP is granted.	
27.	Is there any other information available on resolution of MAP cases?	No	-	-

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>D. Implementation of MAP Agreements</b>				
28.	Where the agreement reached by your competent authority through the MAP process leads to additional tax to be paid by your taxpayer, is there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for the additional tax to be paid?	No	In practice, local tax officers are given 90 days from the date of MAP agreement to implement the MAP outcome.	-
29.	Where the agreement reached by your competent authority through the MAP process leads to a refund of the tax due or paid by your taxpayer, are there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for a refund of the tax paid?	No	In practice, local tax officers are given 90 days from the date of MAP agreement to implement the MAP outcome.	-
30.	Are all mutual agreements reached through MAP implemented notwithstanding any time limits in your domestic law?	Yes	However, some DTAs have a time limit set for MAP adjustments.	-
31.	Is there any other information available on the implementation of MAP agreements?	No	-	-