



**LEMBAGA HASIL DALAM NEGERI MALAYSIA**

**MONTHLY TAX DEDUCTION (MTD) TESTING QUESTIONS  
USING COMPUTERISED CALCULATION METHOD**

**2026**

**Applicant must answer the Monthly Tax Deduction (MTD) Testing Questions and submit the following documents before 1<sup>st</sup> October 2026:**

1. EA form for Question 1 and Question 4
2. PCB II form for Question 2
3. Pay slip for:
  - a. Question 1- July and December
  - b. Question 2- March
  - c. Question 3- September
  - d. Question 4- October and December
  - e. Question 5- January
4. Calculation Detail for:
  - a. Question 1- July and October
  - b. Question 2- March and September
  - c. Question 3- September and November
  - d. Question 4- August and November
  - e. Question 5- January and February
5. Text File for:
  - a. Question 1- October
  - b. Question 3- November
  - c. Question 4- December

**Question 1**

Employee A commenced employment in a C-Suite position with an approved company in Malaysia effective June 2026. Previously, Employee A served as an engineer in Kuala Lumpur. He is married, and his spouse is not employed. He has two children — one aged 12 and another aged 19 with autism, who is currently pursuing a Diploma at a local university.

Determine the MTD for Employee A based on the income information provided below.

Details	Previous Employer	Current Employer
Date of Commencement	1 January – 30 June 2026	1 July– 31 December 2026
Remunerations	RM 10,000 per month	RM 20,000 per month
Travelling Allowances	RM 3,600	RM 500 per month
EPF	11%	11%
MTD Paid	RM 3,000	-

Month	Dental Treatment (RM)	Transit Fees paid to Child Care Centre (RM)	Sport Equipment (RM)	Books (RM)	SOCSO (RM)	Zakat (RM)
July		450			50	1,000
August		450			50	1,000
September		450			50	1,000
October	1,300	450		780	50	1,000
November		450			50	1,000
December		450	1,350		50	1,000

Please calculate the MTD for Employee A for year assessment 2026.

**Question 2**

Employee B holds the position of director in a prominent Malaysian company. He is married, and his spouse is employed as a lecturer at a local university. The household consists of four children: a pair of 21-year-old twins currently enrolled in a Bachelor’s Degree programme at a local university, as well as two younger children aged 13 and 10. For purposes of individual taxation, Employee B intends to claim the qualifying child reliefs for the twins, whereas his spouse will claim the reliefs for the younger two children.

In the year of assessment 2026, Employee B received director’s fees totalling RM400,000, which were remunerated on a quarterly basis. Although director’s fees are ordinarily excluded from mandatory EPF contributions, he has opted to participate in voluntary EPF contributions.

Month	Vaccinations (registered and approved by the National Pharmaceutical Regulatory Agency (NPRA)) (RM)	Medical Examination (RM)	Subscription of Business Journals (electronic format) (RM)	Voluntary EPF (RM)	Zakat (RM)
March	450	850	1,200	1,000	12,000
June	450			1,000	12,000
September	350			1,000	12,000
December				1,000	12,000

Determine the MTD for Employee B for year assessment 2026.

**Question 3**

Employee C is an employee participating in the Returning Expert Programme (REP) in Malaysia, commencing in September 2026. She is a widow and is the legal adoptive parent of a 12-year-old child.

In December 2026, Employee C travelled with her child to Pulau Pinang for a holiday, during which they visited Entopia Butterfly Farm and The Upside-Down Museum. The trip incurred admission fees totalling RM220 and hotel expenses amounting to RM300.

Month	Remunerations (RM)	BIK (Household Servant)  (RM)	Life Insurance  (self and child)  (RM)	Taekwando Class Fees  (child)  (RM)	SOCSO  (RM)	EPF  (RM)
September	10,500	2,000 (yearly)	550	150	28	1,100
October	10,500		550	150	28	1,100
November	10,500		550	150	28	1,100
December	10,500		550	150	28	1,100

Determine MTD from September until December 2026.

#### Question 4

Employee D is an expatriate from Australia engaged on a three-month contract with a Malaysian company, commencing in August 2026. During this period, he received a monthly income of RM10,000 and a Value of Living Accommodation (VOLA) of RM1,000 per month. His spouse is not employed, and they have two children under the age of 18. Employer D did not participate in EPF contributions during the initial three-month contract.

On 1 November 2026, the employer offered to renew Employee D's contract, with revised terms of RM15,000 monthly income and RM1,500 VOLA per month. He accepted the offer and executed a 36-month employment contract, effective from 1 November 2026, with EPF contributions commencing at 11% from November 2026.

Month	Remunerations (RM)	VOLA (RM)	Medical Examination (RM)	Study Fees for Skill Enhancement Courses (RM)	Purchase Personal Computers (RM)	Medical Insurance (RM)
November	15,000	1,500	500	2,500		550
December	15,000	1,500			3,200	550

Determine MTD for Employee D from August to December 2026.

**Question 5**

Employee E is single and attained knowledge worker status at specified region (IRDA) effective 1 January 2026. He provides care for his elderly parents and finances their annual medical examinations amounted RM 800, which are conducted each March.

He executed a Sales and Purchase (S&P) Agreement on 10 May 2025 for the purchase of his first home, valued at RM480,000. During renovation works in January 2026, he installed a food waste grinder machine costing RM1,500. Additionally, he installed one closed-circuit television (CCTV) unit at his residence and another at his business premise in the subsequent month, with each installation costing RM700.

Month	Salary (RM)	EPF	Celebrity Fitness Gym Membership Fees (RM)	Monthly Bill Payment for Internet Subscription (RM)	Housing Loan Interest Paid (RM)
January – December 2026	18,000	11%	200/month	120/month	RM 6,000

Determine the MTD of Employee E for year assessment 2026.