

26 SEP, 2023

Pay taxes without penalty with SVDP 2.0

New Straits Times, Malaysia

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THE Special Voluntary Disclosure Programme (SVDP) 2.0 provides opportunities for new and existing taxpayers to improve their level of tax compliance.

Based on the concept of A.E.S (Awareness, Education, Services) practiced at the Inland Revenue Board (IRB), the programme also encourages taxpayers to voluntarily declare their income within the implementation period.

NEW TAXPAYERS SHOULD GRAB THE OPPORTUNITY

Except those in the employer category, taxpayers are offered a chance to participate in the SVDP 2.0.

The programme is for those who have undeclared or under-declared income, overclaimed or disallowed other expenses or claims, overclaimed relief / deductions / rebates and over-claimed capital allowances / incentives.

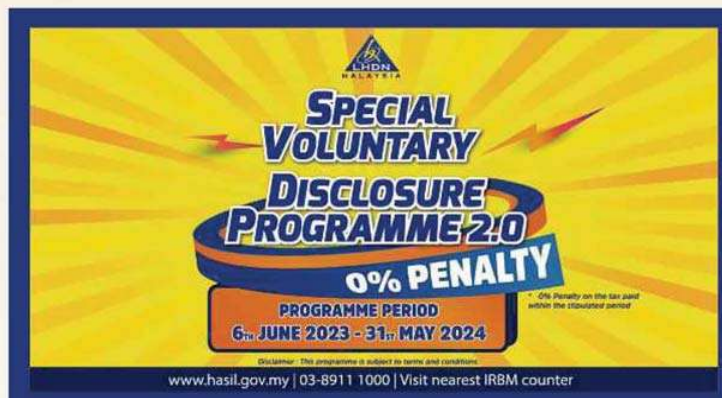
Those who wish to report asset disposals and stamping of documents or agreements that are not stamped within the stipulated period can also do so.

SVDP 2.0 also focuses on the participation of new taxpayers in line with the implementation of the Tax Identification Number (TIN) this year where 7.8 million individual citizens and permanent residents are automatically assigned a TIN.

ASSESSMENT ON DISCLOSURE FOR PRECEDING YEARS

Assessment will be raised on new taxpayers who have started a business or have income for the assessment year 2022 and preceding years of assessment.

For existing taxpayers, assessment will be raised for 2021 and preceding years of assessment for those who have declared income to IRB but did not submit the Income Tax Return



Taxpayers are advised to grab the zero penalty offer on tax settlements and join the SVDP 2.0 programme until May 31, 2024.

Form (ITRF).

Those who have declared income to IRB and have undeclared or additional income will be assessed for 2021 and preceding years.

Disclosure can also be made by those who did not declare disposal of assets for the assessment year 2022 and preceding years.

Taxpayers can join the programme if they submit documents or agreements signed on or before May 1, 2023 for registration from June 6, 2023 to May 31, 2024.

All voluntary disclosure of income in the preceding years will be taxed in the appropriate year of assessment as provided under the tax law. For Real Property Gains Tax, voluntary disclosure of declaration of asset disposal in the preceding year will be assessed based on the year of assessment when the asset was disposed of.

NO AUDIT, NO PENALTY

IRB will receive the voluntary disclosure information in good faith during the SVDP 2.0. No audit or investigation will be conducted in the future.

An audit or investigation may be conducted for the assessment year involved in case of failure to settle the tax payment within the stipulated period.

Taxpayers will also enjoy a zero penalty offer for income declared under this programme. For stamp duties as well, the offer of a full penalty exemption extends to any document or agreement that was signed on or before May 1, 2023 and has not yet been stamped.

APPLICATIONS PROCESSED WITHIN 14 WORKING DAYS

Complete applications will be processed within 14 working days from

the date of receipt.

However, application for transfer pricing issues will take 30 working days. A settlement letter will be issued together with notice of assessment or additional assessment for voluntary disclosure which meet the stipulated conditions.

JOIN SVDP 2.0 ONLINE

Voluntary disclosures may be made until May 31, 2024 at mytax.hasil.gov.my by submitting the ITRF for the assessment years involved.

Taxpayers who are unable to access their ITRF online can submit a manual form to the income tax office where their tax file is registered or the nearest IRB office. The manual ITRF form including the Voluntary Disclosure Form for Transfer Pricing Case can be downloaded and printed from the IRB's Official Portal.

For duty payers, documents/agreements need to be submitted through the Stamp Assessment and Payment System for the stamping process.

TAX PAYMENT WITHIN 30 DAYS FROM THE NOTICE DATE

The tax payment can be made one-off within 30 days from the notice date or in instalments until May 31, 2024 based on the approved payment without submitting supporting documents.

Applications for instalment payment need to be submitted through the SVDP 2.0 link in IRB's Official Portal or at MyTax using the SVDP 2.0 Instalment Payment Application Form.

Audit or legal action can be taken in the future if tax arrears are not paid within the stipulated period. Taxpayers are advised to pay the instalment now to reduce the monthly commitment.

INCOME RECEIVED OR KEPT ABROAD SUBJECT TO TAX

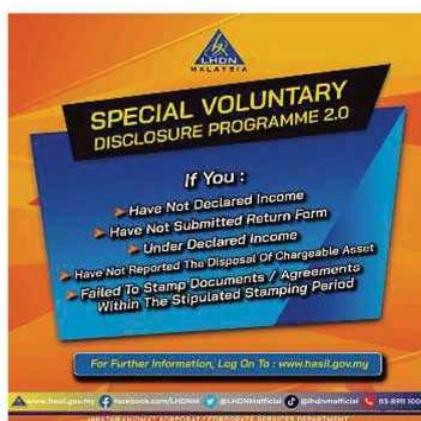
Income earned or derived from Malaysia even if kept in a bank account abroad is subject to income tax in Malaysia. If the income is not declared, it's advisable to declare through SVDP 2.0 based on the year(s) of assessment it was received, subject to the terms and conditions.

Overseas income received in Malaysia by residents is subject to the imposition of income tax in Malaysia starting from Jan 1, 2022.

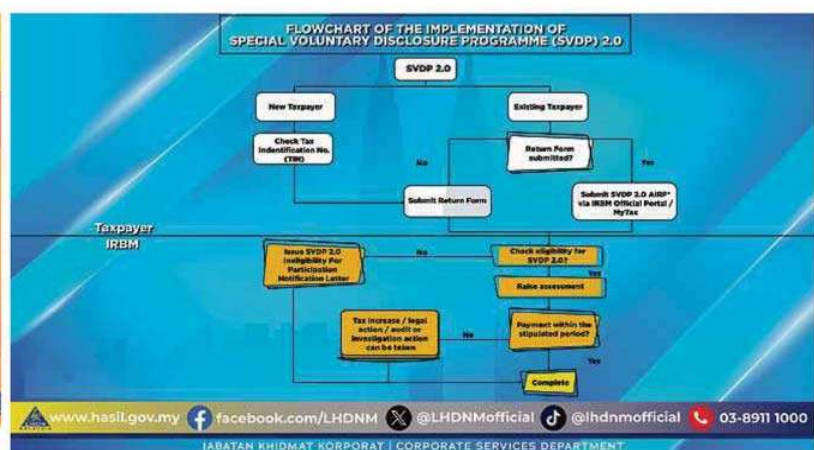
However, there is a tax exemption given to the respective income which are subject to certain terms and conditions.

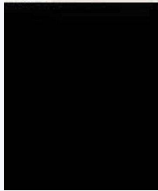
JOIN SVDP 2.0 NOW!

Grab the zero penalty offer on tax settlements and join SVDP 2.0 until May 31, 2024 through the MyTax Portal at mytax.hasil.gov.my or through the SVDP 2.0 link at www.hasil.gov.my.



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SUMMARIES

THE Special Voluntary Disclosure Programme (SVDP) 2.0 provides opportunities for new and existing taxpayers to improve their level of tax compliance. Based on the concept of A.E.S (Awareness, Education, Services) practiced at the Inland Revenue Board (IRB), the programme also encourages taxpayers to voluntarily declare their income within the implementation period. New taxpayers should grab the opportunity. Except those in the employer category, taxpayers are offered a chance to participate in the SVDP 2.0.