



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

MICPA Conversion Programme

Module Outline

Taxation

TAXATION

AIM

1. To introduce basic concepts, philosophy and practices of taxation in Malaysia
2. To understand and be able to compute the tax payable for an individual taxpayer and companies
3. To understand the principles of taxation of a partnership
4. To understand the mechanism of Goods & Services Tax (GST) and be able to compute it
5. To understand tax compliance and administration for individuals and companies

INTRODUCTION

This paper deals with the fundamentals of taxation in Malaysia in the perspective of an individual taxpayer, company and partnership. The main emphasis of this paper is to enable students to understand in depth the principles, foundation and the execution of income tax in Malaysia. Students will be introduced to the rights and obligation of a taxable person in Malaysia.

This paper also covers certain aspects of Goods & Services Tax (GST) and tax compliance and administration.

EXAMINATION FORMAT

A 3-hour written paper comprising 5 – 6 compulsory questions

SYLLABUS WEIGHTING

SYLLABUS CONTENT AREA	WEIGHTING
Principles of Taxation	15%
Taxation of Income of Individuals and Companies	35%
Taxation of Partnerships	15%
Goods & Services Tax (GST)	20%
Tax Compliance and Administration	15%
Total	100%

SYLLABUS CONTENT

NO	TOPIC
1.	Principles of Taxation <ul style="list-style-type: none"> a) Scope of income tax – chargeable persons, residence status, basis periods (including change of accounting dates) b) Distinction between capital and revenue receipts/expenses (including case law)
2.	Taxation of Income of Individuals and Companies <ul style="list-style-type: none"> a) Ascertainment of gross income, adjusted income, statutory income aggregate income, total income and chargeable income (excluding bilateral/unilateral credits) b) Computation of capital allowances on plant and machinery and industrial building, including disposals of assets subject to control c) Withholding taxes
3.	Taxation of Partnerships <ul style="list-style-type: none"> a) Existence of a partnership b) Ascertainment of provisional adjusted income c) Divisible income and allocation of income d) Limited Liability Partnership
4.	Goods & Services Tax (GST) <ul style="list-style-type: none"> a) Concept and mechanism of GST <ul style="list-style-type: none"> i) Mechanism of GST ii) Scope of tax iii) Types of supply b) GST registration <ul style="list-style-type: none"> i) determination of threshold ii) mandatory vs voluntary registration c) Tax invoice d) Credit note, debit note, bad debt relief e) Input tax credit f) GST Tax return g) Taxable period h) Special schemes
5.	Tax Compliance and Administration <ul style="list-style-type: none"> a) Organisational hierarchy b) Self-assessment

NO	TOPIC
	c) Returns d) Assessments e) Collection and recovery f) Appeals g) Offences and penalties

RECOMMENDED REFERENCE TEXTS

AUTHOR	TITLE	PUBLISHER
Choong Kwai Fatt	Malaysian Taxation, Principles and Practices, Twenty First Edition, 2015	Infoworld
Choong Kwai Fatt	Advanced Malaysian Taxation, Principles and Practices, Sixteenth Edition, 2014	Infoworld
Jeyapalan Kasipillai	A Guide to Malaysian Taxation, Third Edition, 2015	McGraw-Hill
Jeyapalan Kasipillai	A Guide to Malaysian Goods and Services Tax, 2015	McGraw-Hill

OTHER REFERENCES

Income Tax Act 1967 (Act 53) and Finance Acts

Goods and Services Tax Act 2014

Goods and Services Tax Regulations

Public Rulings issued by Inland Revenue Board (IRB)

Pekeliling LHDN

IRB's web site at <http://www.hasil.gov.my/>

Custom's website at <http://www.gst.customs.gov.my>

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