

# MICPA

## e-NEWSLINE

### MONTHLY ELECTRONIC NEWSLETTER - FEBRUARY 2020 ISSUE

#### MICPA TECHNICAL UPDATES

##### Proposals For Year 2021 National Budget

Issue Date	January 3
Description	Members are invited to contribute proposals for inclusion in the Institute's memorandum for the Year 2021 National Budget.

##### IRB - Return Form Filing Programme for the Year 2020

Issue Date	January 3
Description	Members are informed that the Inland Revenue Board of Malaysia (IRBM) has recently issued the Return Form (RF) Filing Programme for the Year 2020 to provide the latest information with regard to the submission of tax returns and repayment.

##### IASB - Invitation to Comment on IASB Exposure Draft ED/2019/7 "General Presentation and Disclosures"

Issue Date	January 10
Description	The International Accounting Standards Board ("IASB") has, on December 17, 2019, issued an IASB Exposure Draft ED/2019/7 "General Presentation and Disclosures" that is intended to replace IAS 1 "Presentation of Financial Statements".

##### BNM - Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions for Designated Non-Financial Businesses and Professions ("DNFBPs") & Non-Bank Financial Institutions ("NBFIs") ("AML CFT and TFS for DNFBPs and NBFIs")

Issue Date	January 10
Description	The Bank Negara Malaysia ("BNM") recently issued the revised policy document on Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions for Designated Non-Financial Businesses and Professions ("DNFBPs") and Non-Bank Financial Institutions ("NBFIs") ("AML/CFT and TFS for DNFBPs and NBFIs").

#### UPCOMING CPD

Feb 10	MFRS 16 Leases, Application in Practice, Tax Effects of Lease Transactions & Intragroup Lease Arrangements
Feb 12	Corporate Board Leadership Symposium 2020
Feb 14	Review of Financial Statements Prepared Using MFRS
Feb 21	Hands on Excel Training for Selected MFRS
Feb 22	Data Analytics for Absolute Beginners
Mar 5 & 6	MFRS 15 Revenue from Contracts with Customers & Application to Construction Contracts and Property Development Activities: Updated
Mar 13	Valuation Basics of a Private Company
Mar 23	Corporate Grooming

## MICPA TECHNICAL UPDATES (CONT'D)

### IFAC - IESBA Revises Part 4B of the International Code of Ethics

**Issue Date** January 10

**Description** The International Ethics Standards Board for Accountants ("IESBA") of the International Federation of Accountants ("IFAC") has, on January 6, 2020 released Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in ISAE 3000 (Revised). Part 4B of the International Code of Ethics for Professional Accountants (including International Independence Standards) ("the Code") comprises the independence standards for assurance engagements other than audit and review engagements.

### IRB - Tax Investigation Framework 2020

**Issue Date** January 10

**Description** Members are informed that the Inland Revenue Board of Malaysia (IRBM) has issued the Tax Investigation Framework 2020 on January 1, 2020 which comes into effect on the even date.

### RMC - Minutes of Meeting of SST Implementation Technical Issues Committee Meeting (Bil. 3/2019)

**Issue Date** January 10

**Description** The SST Implementation Technical Issues Committee meetings provide an avenue for private sectors to discuss with the Royal Malaysian Customs Department (RMCD) on SST implementation technical issues arising during the initial stage of SST implementation.

### Federal Government Gazette - Companies (Company Auditor And Liquidator Fees) Regulations 2020

**Issue Date** January 16

**Description** Members are informed that in exercise of the powers conferred by subsection 613(1)(a) of the Companies Act 2016, the Minister of Domestic Trade and Consumer Affairs has made the Companies (Company Auditor and Liquidator Fees) Regulations 2020 (Regulations) and these Regulations had come into operation on January 15, 2020.

## REGULATORY DIALOGUES

- Jan 9 Post 2020 Budget Dialogue between Accounting Bodies and the IRB
- Jan 10 IRBM's Presentation on Draft Guidelines on Application of Subsections 12(3) & 12(4) of the Income Tax Act, 1967 in Determining the "Place of Business"
- Jan 23 Hari Kastam Sedunia Ke-38 Tahun 2020

## MICPA TECHNICAL UPDATES (CONT'D)

**IFAC - Invitation to Comment on: (1) IESBA Exposure Draft "Proposed Revisions to the Non-Assurance Services Provisions of the Code"; (2) IESBA Exposure Draft "Proposed Revisions to the Fee-Related Provisions of the Code"**

**Issue Date** January 23

**Description** The Exposure Drafts are aimed at strengthening the non-assurance services ("NAS") and the fee-related independence provisions of the International Code of Ethics for Professional Accountants (including International Independence Standards) ("the Code").

**JANM - Guidelines for Approval as Liquidator under Companies Act 2016**

**Issue Date** January 23

**Description** The Institute is pleased to inform Members that the Jabatan Akauntan Negara Malaysia (JANM) has issued the "Garis Panduan untuk Kelulusan sebagai Penyelesai di bawah Akta Syarikah 2016" (Guidelines) on January 21, 2020 which comes into effect on the even date to provide guidance on the implementation for approval as liquidator.

**SSM - The Companies (Amendment) Act 2019**

**Issue Date** January 29

**Description** The Companies Commission of Malaysia ("SSM") has recently announced that the Companies (Amendment) Act 2019 has come into force with effect from January 15, 2020.

**IRB - Issues for Discussion with the Inland Revenue Board of Malaysia**

**Issue Date** January 29

**Description** Members are informed that the Institute have been invited by the Inland Revenue Board of Malaysia (IRBM) to submit any issues pertaining to the improvement and upgrade to the IRBM's tax operations delivery system with the view to achieve administrative efficiency of the Malaysian tax system for discussion at the relevant meeting sessions.

## MICPA TECHNICAL UPDATES (CONT'D)

### IRB - IRBM Taxpayer Roadmap

Issue Date January 31

Description Please be informed that the Inland Revenue Board of Malaysia (IRBM) in its media release on January 23, 2020 announced its initiative for 2020 with the issuance of the IRBM Taxpayer Roadmap guideline launched by the Finance Minister of Malaysia, YB Tuan Lim Guan Eng during the IRBM's Directors Conference 2020 on January 13, 2020.

For further details on MICPA Technical Updates, log on to <http://www.micpa.com.my/resources/for-members/circulars/>

## REGULATORY BODIES' UPDATES

### BANK NEGARA MALAYSIA (BNM)

#### Monetary Policy Statement

Issue Date January 22

Description At its meeting today, the Monetary Policy Committee (MPC) of Bank Negara Malaysia decided to reduce the Overnight Policy Rate (OPR) to 2.75 percent. The ceiling and floor rates of the corridor of the OPR are correspondingly reduced to 3.00 percent and 2.50 percent, respectively.

[Read more](#)

#### Detailed Disclosure of International Reserves as at end-December 2019

Issue Date January 31

Description In accordance with the IMF SDDS format, the detailed breakdown of international reserves provides forward-looking information on the size, composition and usability of reserves and other foreign currency assets, and the expected and potential future inflows and outflows of foreign exchange of the Federal Government and Bank Negara Malaysia over the next 12-month period.

[Read more](#)

## REGULATORY BODIES' UPDATES (CONT'D)

### BANK NEGARA MALAYSIA (BNM) (CONT'D)

**Response to Feedback on Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions for Financial Institutions (AML/CFT and TFS for FIs) Exposure Draft**

**Issue Date** January 31

**Description** The Exposure Draft on AML/CFT and TFS for FIs was issued on 19 September 2019. This response to feedback received summarises the key issues covering feedback received during the consultation period which ended on 25 October 2019.

[Read more](#)

### THE SECURITIES COMMISSION (SC)

**SC and Public Prosecutor Successfully Defend Freezing Order**

**Issue Date** January 14

**Description** The Securities Commission Malaysia (SC) and the Public Prosecutor (PP) successfully secured an order to freeze the bank accounts of a director of a company over an ongoing investigation.

[Read more](#)

**SC publishes Guidelines on Digital Assets**

**Issue Date** January 15

**Description** As stated in the SC's earlier consultation paper on the "Proposed Regulatory Framework for The Issuance of Digital Assets Through Initial Coin Offerings", an Initial Coin Offering allows a company with an innovative business proposal to raise capital before it is able to do so through venture capitalists or lenders. It also allows the company to raise funds without selling their equity or taking out a debt while developing their innovative ideas.

[Read more](#)

## REGULATORY BODIES' UPDATES (CONT'D)

### MINISTRY OF FINANCE (MOF)

#### Purchasing Managers' Index (PMI)

Issue Date January 11

Description Malaysia's economy is expected to do better in 2020 as the manufacturing PMI for December 2019 rises to a 15-month high. Furthermore, the Government is boosting employment opportunities and income of youth, fresh graduates and women through the RM6.5 billion Malaysia@Work programme, while implementing major infrastructure projects valued at RM120 billion.

[Read more](#)

#### The Economy's Solid Fundamentals And The Government's Commitment To Institutional Reforms Have Convinced Moody's That Malaysia Deserves Its High Sovereign Credit Rating Of A3 With A Stable Outlook

Issue Date January 22

Description The economy's solid fundamentals and the Government's commitment to institutional reforms have convinced Moody's that Malaysia deserves its high sovereign credit rating of A3 with a stable outlook.

[Read more](#)

### ROYAL MALAYSIAN CUSTOMS DEPARTMENT (CUSTOMS)

#### Panduan Pembayaran Balik (Refund), Pulang Balik (Drawback) dan Rayuan Cukai Jualan (Malay version only) (as at January 9, 2020)

Description Click to download the Specific Guide on Sales and Tax.

[Read more](#)

#### Perkhidmatan Penghantaran & Pengagihan Elektrik (Malay version only) (as at January 1, 2020)

Description Click to download the Industry Guide on Service Tax.

[Read more](#)

## REGULATORY BODIES' UPDATES (CONT'D)

### ROYAL MALAYSIAN CUSTOMS DEPARTMENT (CUSTOMS)

#### Service Tax Policy

- Description** Click to download the following from the Customs website:
- Service Tax Policy No. 1/2020 – Expansion of Scope of Taxable Services (as at January 1, 2020)
  - Service Tax Policy No. 2/2020 – Service Tax Exemption on Imported Taxable Service (as a January 1, 2020)
  - Service Tax Policy No. 3/2020 – Service Tax Policy on Claiming a Refund by Offsetting Method on Service Tax on Imported Digital Service Provided by Foreign Registered Person (as at January 1, 2020)
  - Service Tax Policy No. 4/2020 – Service Tax on Online Distance Learning Services (as at January 1, 2020)
  - Service Tax Policy No. 5/2020 – Service Tax on Online Newspaper, Online Journals and Periodicals (as at January 1, 2020)
  - Service Tax Policy No. 6/2020 - Service Tax Treatment on Provision of Training and Coaching Services for Disabled Person (as at January 1, 2020)

[Read more](#)

## OTHER PROFESSIONAL BODIES

### CHARTERED ACCOUNTANTS AUSTRALIA AND NEW ZEALAND (CAANZ)

#### February 2020 Acuity is out now!

- Description** Acuity - CAANZ's bi-monthly magazine on economics, finance and business. Feb-Mar 2020 Acuity looks at the wage underpayment scandal, how to prevent business insolvency, and cloud connector tools.

[Read more](#)

#### Recommendations from a mindfulness expert: how to manage work-related stress and tension

- Issue Date** January 21

- Description** Hear from Camille Woods CA, mindfulness and meditation coach, to discover simple yet powerful exercises that can help you manage work-related anxieties and tension.

[Read more](#)

## OTHER PROFESSIONAL BODIES (CONT'D)

### CHARTERED ACCOUNTANTS AUSTRALIA AND NEW ZEALAND (CAANZ) (CONT'D)

#### Call for improved UN Sustainable Development Goals disclosures

**Issue Date** January 22

**Description** Chartered Accountants ANZ have joined other leading accounting bodies and others calling for corporate and asset owner action and improved reporting on the UN's Sustainable Development Goals (SDG) in an attempt to hit the goals set for 2030.

[Read more](#)

#### The shift to a sustainable economy

**Issue Date** January 30

**Description** As the call intensifies for an urgent shift to a sustainable economy, there are a number of consultations open hoping to shape the direction. Chartered Accountants ANZ is involved with these organisations and we are seeking member input for our submissions.

[Read more](#)

## OTHER INTERNATIONAL UPDATES

### INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

#### Tackling Fraud and Financial Crime in the Global Public Sector through Training and Education

**Issue Date** January 6

**Description** Fraud and financial crime will always exist. Where there's money, there are also people working to exploit the financial system for their personal gain – and the public sector is no exception. Although there is still work to be done, western governments have established a relatively sound position in combatting and deterring widespread corruption, bribery and fraud.

[Read more](#)

## OTHER INTERNATIONAL UPDATES (CONT'D)

### INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC) (CONT'D)

#### One Language, One Profession, One Culture, One Bright Future

**Issue Date** January 21

**Description** In September 2019, during the VI Congress of Ordem dos Contabilistas Certificados in Lisbon, Portugal, the União dos Contabilistas e Auditores de Língua Portuguesa (UCALP)—translated as the Portuguese Speaking Countries Accountancy Union—was launched to serve as a platform to enhance both the communication between professional accountants and the mutual collaboration among its members.

[Read more](#)

#### Re-imagining the Future Accountant—Our Call to Action

**Issue Date** January 22

**Description** Transformational changes are re-shaping the roles accountants perform within society.

[Read more](#)

### INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

#### Help shape IFRS Standards in 2020

**Issue Date** January 7

**Description** To develop high-quality accounting standards, the International Accounting Standards Board (Board) seeks views from people interested in and affected by financial reporting. This engagement helps the Board to generate ideas and evaluate suggested solutions to accounting problems so that IFRS® Standards reflect the needs of the companies that use them when preparing their financial statements and of investors that use those financial statements when making investment decisions.

[Read more](#)

## OTHER INTERNATIONAL UPDATES (CONT'D)

### INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB) (CONT'D)

**IASB clarifies requirements for classifying liabilities as current or non-current**

**Issue Date** January 23

**Description** The International Accounting Standards Board (Board) has today issued narrow-scope amendments to IAS 1 Presentation of Financial Statements to clarify how to classify debt and other liabilities as current or non-current.

[Read more](#)

**January 2020 IASB Update available and work plan updated**

**Issue Date** January 31

**Description** The January 2020 IASB Update has been published.

[Read more](#)

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The Malaysian Institute of  
Certified Public Accountants  
(MICPA)

No.15 Jalan Medan Tuanku  
50300 Kuala Lumpur  
Tel: 03-2698 9622  
Fax: 03-2698 9403

Email: [micpa@micpa.com.my](mailto:micpa@micpa.com.my)

Website: [www.micpa.com.my](http://www.micpa.com.my)

