



MONTHLY ELECTRONIC NEWSLETTER - SEPTEMBER 2020 ISSUE

ANNOUNCEMENTS

MICPA CPD

Check out upcoming CPD events through our website at www.micpa.com.my/calendar/training.

For further information on our training events or the registration details, please contact the Institute's CPD Department via e-mail at cpd@micpa.com.my.



REGULATORY DIALOGUES

August 13 - SST Implementation Technical Issues Committee Meeting (1/2020)

MICPA TECHNICAL UPDATES

IRB - Guidelines for Approval of Director General of Inland Revenue under Subsection 44(6) of the Income Tax Act 1967 for the Establishment of Welfare and Education Fund

Issue Date August 7

Description Members are informed that the Inland Revenue Board (IRB) has issued the Guidelines for Approval of Director General of Inland Revenue under Subsection 44(6) of the Income Tax Act 1967 for the Establishment of Welfare and Education Fund (Guidelines) (available in Malay version only) on July 15, 2020.

MICPA TECHNICAL UPDATES (CONT'D)

IRB - Guidelines for Approval of Director General of Inland Revenue under Subsection 44(6) of the Income Tax Act 1967 for the Management of Place of Religious Worship Fund

Issue Date August 7

Description Members are informed that the Inland Revenue Board (IRB) has issued the Guidelines for Approval of Director General of Inland Revenue under Subsection 44(6) of the Income Tax Act 1967 for the Management of Place of Religious Worship Fund (available in Malay version only) on July 15, 2020.

IRB - Guidelines for Approval of Director General of Inland Revenue under Subsection 44(6) of the Income Tax Act 1967 for the Construction of Place of Religious Worship Fund

Issue Date August 7

Description Members are informed that the Inland Revenue Board (IRB) has issued the Guidelines for Approval of Director General of Inland Revenue under Subsection 44(6) of the Income Tax Act 1967 for the Construction of Place of Religious Worship Fund (available in Malay version only) on June 8, 2020.

IRB - Lahad Datu, Sabah Satellite Office

Issue Date August 7

Description Members are informed that the Lahad Datu Revenue Service Centre of the Inland Revenue Board (IRB) had been upgraded to a Satellite Office and will commence operations from its new location on August 10, 2020.

IRB - Public Ruling No. 5/2020: Tax Treatment of Research and Development Expenditure Part I – Qualifying Research and Development Activity and Public Ruling No. 6/2020: Tax Treatment of Research and Development Expenditure Part II – Special Deductions

Issue Date August 14

Description Members are informed that the Inland Revenue Board (IRB) has issued Public Ruling No. 5/2020: Tax Treatment of Research and Development Expenditure Part I – Qualifying Research and Development Activity and Public Ruling No. 6/2020: Tax Treatment of Research and Development Expenditure Part II – Special Deductions on August 13, 2020.

MICPA TECHNICAL UPDATES (CONT'D)

IRB - Guidelines on the Application Procedure for a Special Deduction in respect of a Qualifying Research and Development

Issue Date August 18

Description Members are informed that the Inland Revenue Board (IRB) has issued the Guidelines on the Application Procedure for a Special Deduction in respect of a Qualifying Research and Development on August 13, 2020.

MASB - Amendments to Insurance Standards and Deferral of the Effective Date of Amendments to MFRS 101

Issue Date August 18

Description MICPA wishes to inform that the Malaysian Accounting Standards Board ("MASB") has on August 17, 2020, issued the following pronouncements:

- 1) Amendments to MFRS 17 Insurance Contracts
- 2) Extension of the Temporary Exemption from Applying MFRS 9 (Amendments to MFRS Insurance Contracts)
- 3) Classification of Liabilities as Current or Non-current—Deferral of Effective Date

BURSA - Amendments to Main Market And ACE Market Listing Requirements in relation to New Issues of Securities and Other Areas

Issue Date August 18

Description MICPA wishes to inform that the Bursa Malaysia Securities Berhad ("the Exchange") has amended the Main Market and ACE Market Listing Requirements ("Listing Requirements"), to enhance the disclosure requirements in connection with new issue of securities, as well as address gaps for greater shareholder protection and confidence.

AOB - The AOB Urges Auditors to Heighten Vigilance and Increase Responsiveness to Emerging Issues In Time of COVID-19

Issue Date August 21

Description MICPA wishes to inform that the Audit Oversight Board ("AOB") has issued its Annual Inspection Report 2019, and urged auditors to heighten vigilance and increase responsiveness to emerging issues, particularly during the COVID-19 pandemic.

MICPA TECHNICAL UPDATES (CONT'D)

MPC - Invitation to Comment on MalaysiaMudah (#MyMudah) Reducing Regulatory Burdens to Support Economic Growth

Issue Date August 21

Description Members are informed that the Malaysian Productivity Corporation (MPC) is currently conducting a public consultation for businesses and interested parties to work with the Government to reduce regulatory burdens while protecting public interest.

MICPA & MARC - Shifting Strategic Priorities

Issue Date August 25

Description MICPA and Malaysian Rating Corporation Berhad ("MARC") hereby jointly released a publication entitled '*Shifting Strategic Priorities*'

Operational Guidelines No. 3/2020 (GPHDN 3/2020): Imposition of Penalties under Subsection 112(3) of the Income Tax Act 1967, Subsection 51(3) of the Petroleum (Income Tax) Act 1967 and Subsection 29(3) of the Real Property Gains Tax Act 1976

Issue Date August 25

Description Members are informed that the Inland Revenue Board of Malaysia (IRBM) has on August 13, 2020 issued the Operational Guidelines No. 3/2020 (GPHDN 3/2020): Imposition of Penalties under Subsection 112(3) of the Income Tax Act 1967, Subsection 51(3) of the Petroleum (Income Tax) Act 1967 and Subsection 29(3) of the Real Property Gains Tax Act 1976 (available in Malay language only).

SSM - Extension of Time for Holding of Annual General Meeting and Circulation and Lodgement of Financial Statements for Financial Year End After 31 December 2019 to 31 March 2020

Issue Date August 28

Description The Institute wishes to inform Members that it had on June 29, 2020 submitted a letter to the Companies Commission of Malaysia (SSM) to request for SSM's consideration to grant a blanket approval for extension of time (EOT) for companies with financial year ends of up to March 31, 2020 to lodge its' financial statements.

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

REGULATORY BODIES' UPDATES

BANK NEGARA MALAYSIA (BNM)

Launch of the Fintech Booster programme

Issue Date August 4

Description The Malaysia Digital Economy Corporation (MDEC) today launched the Fintech Booster programme to further support the growth and development of fintech companies in Malaysia.

[Read more](#)

Base Rates, BLR and Indicative Effective Lending Rates of Financial Institutions as at 6 August 2020

Issue Date August 6

Description Click link for more info.

[Read more](#)

International Reserves of Bank Negara Malaysia as at 30 July 2020

Issue Date August 7

Description The international reserves of Bank Negara Malaysia amounted to USD104.2 billion as at 30 July 2020. The reserves position is sufficient to finance 8.4 months of retained imports and is 1.1 times total short-term external debt.

[Read more](#)

Transfer of the Small Debt Resolution Scheme to Agensi Kaunseling dan Pengurusan Kredit (AKPK)

Issue Date August 14

Description Bank Negara Malaysia and AKPK are pleased to announce that effective 1 September 2020, AKPK will start offering specialised solutions to help SMEs (including micro SMEs) to manage their debt and promote sound financial management practices.

[Read more](#)

REGULATORY BODIES' UPDATES (CONT'D)

BANK NEGARA MALAYSIA (BNM) (CONT'D)

Economic and Financial Developments in the Malaysian Economy in the Second Quarter of 2020

Issue Date August 14

Description Click link for more info.
[Read more](#)

Detailed Disclosure of International Reserves as at end-July 2020

Issue Date August 28

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](#)

SECURITIES COMMISSION (SC)

Investor Alert List (as at 12/08/2020)

Issue Date August 12

Description The Securities Commission Malaysia (SC) has updated the Investor Alert List that contains the list of unauthorised websites, investment products, companies and individuals.
[Read more](#)

SC Grants M-REITs Temporary Increase in Gearing Limit

Issue Date August 12

Description The Securities Commission Malaysia (SC) announced today that it will temporarily increase the gearing limit for Malaysian real estate investment trusts (M-REITs) from 50% to 60%, effective immediately, until 31 December 2022.
[Read more](#)

REGULATORY BODIES' UPDATES (CONT'D)

ROYAL MALAYSIAN CUSTOMS DEPARTMENT (CUSTOMS)

GST Guide on Declaration and Adjustment after 1st September 2018 (as at August 18, 2020)

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

[Read more](#)

Refund on the Acquisition of Services by Foreign Missions and International Organizations (as at June 23, 2020)

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

[Read more](#)

Amendments to Service Tax Policy No. 1, 3, 4, 5 and 8/2020 (as at August 13, 2020)

Description Click to download the Service Tax Policy on Sales and Service Tax.

[Read more](#)

Guide on Information Technology Services (as at July 13, 2020)

Description Click to download the Industry Guide on Sales and Service Tax.

[Read more](#)

Guide on Digital Services by Foreign Service Provider (as at August 1, 2020)

Description Click to download the Industry Guide on Sales and Service Tax.

[Read more](#)

OTHER PROFESSIONAL BODIES

CHARTERED ACCOUNTANTS AUSTRALIA AND NEW ZEALAND (CAANZ)

September 2020 Acuity is out now

Description Acuity - CAANZ's bi-monthly magazine on economics, finance and business.

Main article: How a crisis is the mother of innovation

[Read more](#)

Navigating auditors' reports in a COVID-19 world

Issue Date August 24

Description How investors and stakeholders can gain more from an auditor's report in the current economic climate.

[Read more](#)

OTHER INTERNATIONAL UPDATES

INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

From Essential to Indispensable: Five Steps to Navigating the COVID-19 Storm

Issue Date August 17

Description We often tend to think of change as gradual. And sometimes it is. But think for a moment about tectonic plates...those slow-moving plates under the earth's surface. Most of the time, they move slowly. At other times, they press up against each other and the pressure builds and builds until there's a dramatic tectonic shift...an earthquake.

[Read more](#)

How Small Firms Can Evolve in the COVID-19 Environment: Webinar Recordings Now Available

Issue Date August 24

Description IFAC invites you to view a webinar focused on the recently launched Practice Transformation Action Plan – A Road Map to the future.

[Read more](#)

OTHER INTERNATIONAL UPDATES

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

G20 Call to Action: The Role of Business in Accelerating Sustainability and Inclusiveness

Issue Date August 26

Description The COVID-19 pandemic is a wake-up call to accelerate the transition to a more sustainable and inclusive global economy that can achieve the United Nations' Sustainable Development Goals (SDGs).

[Read more](#)

What Defines the Accountant of Tomorrow?

Issue Date August 26

Description In recent months, I have had the privilege of connecting with colleagues from accounting firms both large and small, the CEOs of professional accountancy organizations (PAOs) and students and faculty leaders of universities from around the world about their vision of what's next for accountants in a future that we all know will require new skills and a different mindset than what's long been held as the standard.

[Read more](#)

INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

July 2020 monthly news summary

Issue Date August 4

Description brief summary of news and events from the International Accounting Standards Board (Board) and the IFRS® Foundation over the past month.

[Read more](#)

IASB issues IFRS Taxonomy Update for Covid-19-Related Rent Concessions

Issue Date August 18

Description The International Accounting Standards Board (Board) has today issued an update to the IFRS Taxonomy 2020 for Covid-19-Related Rent Concessions, which amended IFRS 16 Leases.

[Read more](#)

OTHER INTERNATIONAL UPDATES (CONT'D)

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

IFRS Foundation publishes revised Due Process Handbook

Issue Date August 21

Description The Trustees of the IFRS Foundation have today published the revised Due Process Handbook, which sets out the procedural requirements of the International Accounting Standards Board (Board) and the IFRS Interpretations Committee and related matters.

[Read more](#)

What is the due process and why does it matter?

Issue Date August 21

Description In this article, Alan Beller, who chairs the IFRS Foundation Trustees' Due Process Oversight Committee, explains what the due process is and how it is overseen.

[Read more](#)

IASB completes response to IBOR reform with amendments to IFRS Standards

Issue Date August 27

Description The International Accounting Standards Board (Board) has finalised its response to the ongoing reform of inter-bank offered rates (IBOR) and other interest rate benchmarks by issuing a package of amendments to IFRS Standards.

[Read more](#)

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