



MONTHLY ELECTRONIC NEWSLETTER - FEBRUARY 2021 ISSUE



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.



MICPA TECHNICAL UPDATES

IRB - Public Consultation on Draft Public Ruling

Issue Date January 6

Description Members are informed that the Inland Revenue Board (IRB) had recently uploaded the draft Public Ruling on Special Allowances for Small Value Assets for public consultation prior to finalisation.

MICPA TECHNICAL UPDATES (CONT'D)

Proposals for Year 2022 National Budget

Issue Date January 8

Description As Members are aware, the Institute submits proposals for the national budget each year to the Ministry of Finance. In this regard, members are invited to contribute proposals for inclusion in the Institute's memorandum for the Year 2022 National Budget.

IRB - Practice Note No. 4/2020: Clarification on Determining the Gross Income from Business Sources of Not More Than RM50 Million of a Company or Limited Liability Partnership

Issue Date January 8

Description Members are informed that the Inland Revenue Board had issued Practice Note No. 4/2020: Clarification on Determining the Gross Income from Business Sources of Not More Than RM50 Million of a Company or Limited Liability Partnership on December 21, 2020.

SSM - Announcement by Companies Commission of Malaysia

Issue Date January 8

Description The Institute wishes to inform that the Companies Commission of Malaysia ("SSM") has recently made the following announcement on its official portal.

SSM - Practice Note No. 6/2019 (Revised): Procedures for Rectification of Documents Lodged and Registered with the Companies of Commission of Malaysia

Issue Date January 8

Description MICPA wishes to inform that the Companies Commission of Malaysia ("SSM") has on December 31, 2020 revised the Practice Note No. 6/2019 ("PN No. 6/2019") (Revised): Procedures for Rectification of Documents Lodged and Registered with the Companies of Commission of Malaysia.

IRB - Forms CP 21, 22, 22A and 22B (Version Amendment 1/2021)

Issue Date January 12

Description Members are informed that the Inland Revenue Board (IRB) has on January 11, 2021 announced on its' official portal that the following forms, prescribed under Section 152 of the Income Tax Act, 1967 (ITA 1967) are now available.

MICPA TECHNICAL UPDATES (CONT'D)

BNM - Customer Due Diligence Requirements on Government-Linked Companies, State-Owned Companies and Registered Persons and Statement on High-Risk and Other Monitored Jurisdictions

Issue Date January 12

Description MICPA wishes to inform that the Bank Negara Malaysia ("BNM") has recently issued an announcement on the following matters:

1. Regulatory Expectation on Customer Due Diligence ("CDD") Requirements on Government-Linked Companies ("GLCs"), State-Owned Companies ("SOCs") and Registered Persons ("RPs")
2. Statement on High-risk and Other Monitored Jurisdictions by the Financial Action Task Force ("FATF")

IRB - Centralisation and Transfer of Income Tax Files of Companies and Other Than Companies for Certain Categories

Issue Date January 15

Description Members are informed that the Inland Revenue Board (IRB) has issued a media release on January 13, 2021 to inform that with effect from January 1, 2021 the IRB had centralised and transferred the income tax files for certain categories of taxpayers in line with the Government's policy in relation to the tax treatment of Small-and Medium Enterprises (SMEs) as well as to meet the Transfer Pricing Guidelines 2012 requirements.

MOF - Extension for the Recognition of CPD/CPE Points from Online Tax Training

Issue Date January 15

Description The Institute is pleased to inform Members that subsequent to its Circular No. TEC/103/07/2020/W and Circular No. TEC/125/09/2020/W dated July 30, 2020 and September 15, 2021 respectively, the Ministry of Finance (MOF) had on January 7, 2021 granted a further extension for the recognition of CPD/CPE points from online tax training.

SC - Guidance and Frequently Asked Questions on the Conduct of General Meeting for Listed Issuers

Issue Date January 15

Description MICPA wishes to inform that the Securities Commission Malaysia ("SC") has recently released guidance and frequently asked questions ("FAQs") on the conduct of General Meetings for listed issuers.

MICPA TECHNICAL UPDATES (CONT'D)

SSM - Frequently Asked Questions on Compound Reduction Incentive for Application to Strike Off Company Under Section 549/550 Companies Act 2016

Issue Date January 15

Description MICPA wishes to inform that the Companies Commission of Malaysia ("SSM") has recently published a frequently asked questions ("FAQ") on Compound Reduction Incentive for Application to Strike Off Company Under Section 549/550 Companies Act 2016.

MIBA - Release of the Malaysia Equity and Debt Capital Markets Due Diligence Guides

Issue Date January 15

Description MICPA wishes to inform that the Malaysian Investment Banking Association ("MIBA") has recently released the Malaysia Equity Capital Markets and Debt Capital Markets Due Diligence Guides ("Industry Guides").

IFRS Foundation - Educational Material to Support Companies in Applying Going Concern Requirements

Issue Date January 15

Description MICPA wishes to inform that the IFRS Foundation has recently published an educational material to support companies in applying going concern requirements. The education material is to support consistent application of IFRS Standards and does not change, or add to, existing requirements.

IRB - Income Tax Return Form for Disposal and Acquisition of Assets Subject to Real Property Gains Tax Act 1976 for Year of Assessment 2021

Issue Date January 19

Description Members are informed that the Inland Revenue Board (IRB) has in its media release on January 15, 2021 informed that the Income Tax Return Form (ITRF) for Disposal and Acquisition of Assets Subject to Real Property Gains Tax Act 1976 (RPGT Act 1976) for Year of Assessment (YA) 2021 is now available. The said ITRF is only available in the Malay version.

MICPA TECHNICAL UPDATES (CONT'D)

IPSASB - Invitation to Comment on IPSASB Exposure Draft 75, Leases and Request for Information, Concessionary Leases and Other Arrangements Similar to Leases

Issue Date January 19

Description The International Public Sector Accounting Standards Board ("IPSASB") has recently released the Exposure Draft 75 ("ED"), Leases and Request for Information, Concessionary Leases and Other Arrangements Similar to Leases.

IRB - Invitation to Submit Non-Technical Tax Compliance and Operational Related Issues

Issue Date January 22

Description Members are invited to submit their non-technical tax compliance and operational related issues to the Institute for discussion at dialogue session(s) with the Inland Revenue Board (IRB).

IIRC - Revisions to the International < IR > Framework

Issue Date January 22

Description MICPA wishes to inform that the International Integrated Reporting Council ("IIRC") has recently published revisions to the International <IR> Framework to enable more decision-useful reporting.

SSM - Practice Directive No. 6/2020 (Revised 27 January 2021): Extension of Time for Annual General Meeting and Lodgement of Financial Statements

Issue Date January 27

Description Members are informed that the Companies Commission of Malaysia (SSM) has issued the revised Practice Directive No. 6/2020: Extension of Time for Annual General Meeting and Lodgement of Financial Statements (PD No. 6/2020) on January 27, 2021.

SSM - Frequently Asked Questions on Beneficial Reporting Framework of Legal Persons

Issue Date January 29

Description MICPA wishes to inform that the Companies Commission of Malaysia ("SSM") has recently published an update on frequently asked questions ("FAQ") on Beneficial Ownership Reporting Framework of Legal Persons.

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)

International Reserves of Bank Negara Malaysia as at 31 December 2020

Issue Date January 8

Description The international reserves of Bank Negara Malaysia amounted to USD107.6 billion as at 31 December 2020. The reserves level has taken into account the quarterly foreign exchange revaluation changes. The reserves position is sufficient to finance 8.6 months of retained imports and is 1.2 times total short-term external debt.

[Read more](#)

Statement on Statutory Reserve Requirement

Issue Date January 20

Description Bank Negara Malaysia is announcing today the extension of the flexibility for banking institutions to use MGS and MGII to meet the SRR compliance until 31 December 2022. This flexibility which was previously announced on 5 May 2020, is currently applicable until 31 May 2021. The Statutory Reserve Requirement (SRR) ratio remains unchanged at 2.00%.

[Read more](#)

Detailed Disclosure of International Reserves as at end-December 2020

Issue Date January 29

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)

SECURITIES COMMISSION (SC)

Notice on SC'S Public and Investor Query Services

Issue Date January 12

Description The SC, as the regulator of the capital market, will operate as usual during the Movement Control Order. To limit physical interaction during this period, members of the public are encouraged to email your enquiries or complaints. Regretfully, we are unable to accept any walk-in enquiries or complaints at this time.

[Read more](#)

Capital Market Participants To Operate In Accordance With SOPs

Issue Date January 13

Description Capital market entities supervised, licensed or registered by the SC shall operate in accordance with the applicable standard operating procedures (SOPs) issued by the authorities during the Emergency Ordinance and various forms of Movement Control Order (MCO) period.

[Read more](#)

Unlisted Public Companies Need To Comply With Requirements In SC's Prospectus Guidelines And Securities Laws

Issue Date January 26

Description The SC today reminded unlisted public companies (UPCs) seeking to raise funds from members of the public to comply with the Capital Markets and Services Act 2007 (CMSA) and relevant guidelines, especially when the offer is made to retail investors

[Read more](#)

Investors Reminded To Exercise Caution When Participating In Social Media Chatrooms Promoting Specific Stock Trading

Issue Date January 29

Description The SC and Bursa Malaysia Berhad (Bursa Malaysia) are closely monitoring the local stock market in light of the current price surge of selected stocks in the US markets, fuelled by social media chatrooms against short-sellers.

[Read more](#)

OTHER PROFESSIONAL BODIES

CHARTERED ACCOUNTANTS AUSTRALIA AND NEW ZEALAND (CAANZ)

FEBRUARY 2021 Acuity is out now

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

Main article: The great reset: How can accountants help 'build back better'?

[Read more](#)

OTHER INTERNATIONAL UPDATES

INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

Rethinking Value Creation

Issue Date January 8

Description For the better half of the last millennia, accounting has been the language of business, governments, trade and capital markets. But corporate success and value creation needs rethinking.

[Read more](#)

Solutions for Staff Onboarding under Remote Work

Issue Date January 11

Description Onboarding is a difficult process under any circumstances. Now, with many firms working remotely, it has become even more of a challenge. The effect on businesses is tangible: some firms in need of staff have deferred hiring completely.

[Read more](#)

KYC—The Right Tools for the Job?

Issue Date January 12

Description In recent years, more and more accountants are turning to automated software tools to help with KYC checks. But are they getting the right tools for the job, and are the benefits often claimed for these new tools really being delivered?

[Read more](#)

OTHER INTERNATIONAL UPDATES (CONT'D)

INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

IFRS Foundation publishes educational material to support companies in applying going concern requirements

Issue Date January 13

Description Companies preparing financial statements using IFRS Standards are required to assess their ability to continue as a going concern. In the current stressed economic environment arising from the covid-19 pandemic, deciding whether the financial statements should be prepared on a going concern basis may involve a greater degree of judgement than usual.

[Read more](#)

IFRS Foundation announces first step in overhaul of future digital experience

Issue Date January 25

Description The IFRS Foundation today announced plans to move the Foundation's three existing websites into a single, unified platform. The new platform will launch in April 2021 and represents the first step in the Foundation's multi-year programme to enhance the digital experience it offers its stakeholders.

[Read more](#)

IASB proposes new IFRS Standard to give investors a more complete picture of the financial performance of rate-regulated companies

Issue Date January 28

Description The International Accounting Standards Board (Board) has today published proposals for a new accounting standard that would require companies subject to rate regulation to give investors better information about their financial performance.

[Read more](#)

OTHER INTERNATIONAL UPDATES (CONT'D)

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

January 2021 IASB Update available, work plan updated and meeting papers for the February supplementary IASB meeting posted

Issue Date January 29

Description The January 2021 IASB Update has been published.

[Read more](#)

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