

# CHAPTER 1 :

## INTRODUCTION - FORM BE



# WHAT TYPE OF RECEIPTS IS TAXABLE?

CAPITAL RECEIPTS

VS

INCOME RECEIPTS



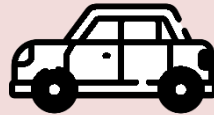
# A) CAPITAL RECEIPTS

Capital receipts from the disposal of long term investment are **tax free**

# Sale Proceeds From

Sale of

Motor Vehicle



Mobile phones

Paintings

Shares



Insurance compensation  
claim on

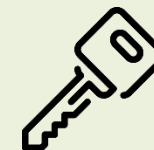
Motor Vehicle

Houses



Life

House contents

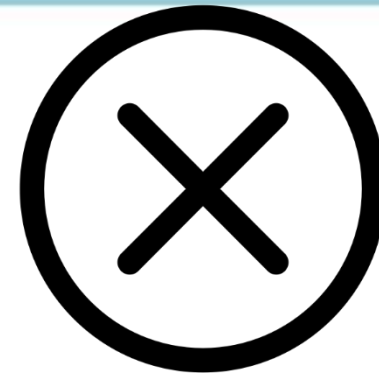


# B) INCOME RECEIPTS

EXEMPTED

VS

TAXABLE

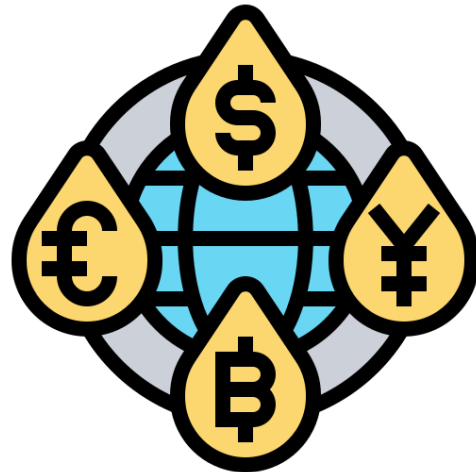


**WHAT TYPE OF INCOME IS TAX  
EXEMPTED?**

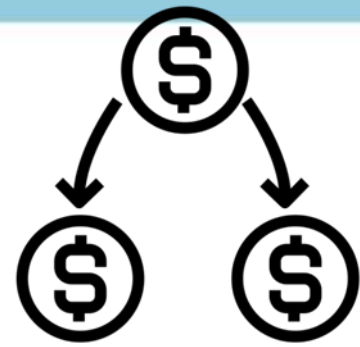


# 1. Foreign Source Income

- Income derived from outside Malaysia is exempted when remitted into Malaysia
- **Payment records** from overseas are **REQUIRED**.



## 2. Exempt Dividend



- Dividend declared by companies under “single tier dividend system”
- Introduced in 2008 and with effect from Year of Assessment 2008



# EXAMPLE

MALAYSIAN TAX VOUCHER					
WARRANT NO.	DIVIDEND NO.	TYPE OF DIVIDEND	FOR FINANCIAL YEAR ENDING	ON SHARES REGISTERED AT	DATE OF PAYMENT
		INTERIM	30 JUNE 2014	04 APRIL 2014	18 APRIL 2014
NO. OF SHARES OF RM0.10 EACH		CATEGORY OF DIVIDEND	DIVIDEND RATE		DIVIDEND AMOUNT (RM)
		SINGLE TIER DIVIDEND	0.5 SEN		

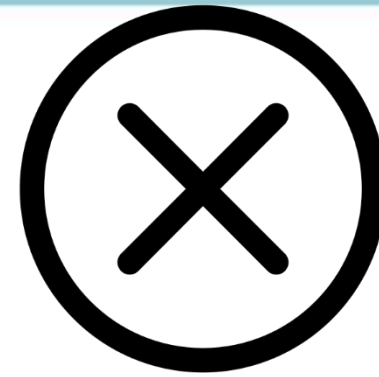
We hereby certify that no tax is deductible from the single tier dividend under Section 108 of the Income Tax Act, 1967. The single tier dividend is not taxable in the hands of the shareholders pursuant to paragraph 12B of Schedule 6 of the said Act.

### 3. Interest Earned from Approved Financial Institution

- Interest derived from Fixed Deposits, Savings and Islamic financing are exempt from income tax

[Income Tax (Exemption) (No 7) (Amendment Order 2009)]



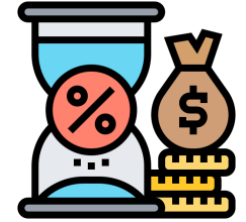


WHAT TYPE OF INCOME IS  
**TAXABLE** ?



# TYPE OF TAXABLE INCOME UNDER ITA 1967

## SECTION 4



Subject to this Act, the income upon which **tax** is chargeable under this Act is income in respect of :-

- a) Gains or profits from a **business**, for whatever period of time carried on;
- b) Gains or profits from an **employment**;
- c) Dividends, interest or discounts;
- d) **Rents**, royalties or premiums;
- e) Pensions, annuities or other periodical payments not falling under any of the foregoing paragraphs;
- f) **Gains or profits** not falling under any of the foregoing paragraphs



# WHY I NEED TO FILE A TAX RETURN?

Duties of a  
good citizen

Have a good  
**personal**  
**financial** profile



# WHICH TYPE OF TAX RETURN FORM YOU SHOULD SUBMIT?



**FORM BE?**



**FORM B?**



**FORM M?**

Each Taxpayer is to submit only **ONE**  
income tax return form for **EACH YEAR**

	Form BE	Form B	Form M
Type of Income	Employment Rental Dividend Other <i>Part Time (Ad Hoc)</i>	<b>Business</b> Employment Rental Dividend Other <i>Part Time (Regular)</i>	Business Employment Rental Dividend Other <i>Part Time</i>
Tax Resident	Resident	Resident	Non Resident
Income Recognition	Receipt Basis (employment)	Accrual Basis (Business)	Depends Employment / Business
Deduction of Expenses	Limited (employment)	Wider Scope (business)	
Capital Allowance	N/A	Yes	
Losses	N/A	Carry Forward	
Tax Relief	Yes	Yes	Limited

TYPE OF GROSS INCOME IN RESPECT OF HAVING OR EXERCISING  
THE **EMPLOYMENT** UNDER ITA 1967  
SECTION 13 (1)

S13(1)(a)

- Monetary Benefits including perquisite

S13(1)(b)

- Benefit in Kind

S13(1)(c)

- Value of Living Accommodation

S13(1)(d)

- Refund from Unapproved Fund

S13(1)(e)

- Compensation for loss of employment

# Part-Time Income

## Evaluation of part-time income

- a) The regularity of payments
- b) Substantiality of the amount

a) ad-hoc  
b) Less substantiality amount

a) regular  
b) substantiality amount

Form BE “Other  
source of income”

**OR**

Form B “Business  
income”

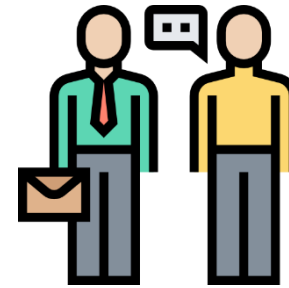
# Form B - Self Employed



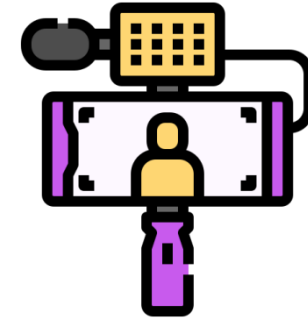
Commission basic



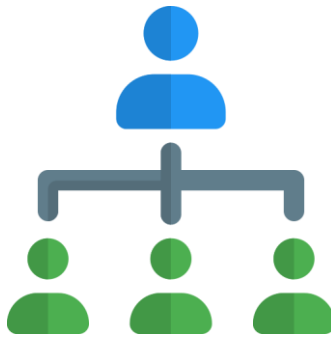
Insurance agent



Car agent



Youtuber



MLM agent



Real estate agent



Selling via internet

# SUMMARY

<b>Employment income only</b>	<b>=</b>	<b>Form BE</b>
<b>Rental income only [S4(d)]</b>	<b>=</b>	<b>Form BE</b>
<b>Business income only</b>	<b>=</b>	<b>Form B</b>
<b>Business income + employment income</b>	<b>=</b>	<b>Form B</b>
<b>Business income + rental income</b>	<b>=</b>	<b>Form B</b>
<b>Business income + employment income + rental income</b>	<b>=</b>	<b>Form B</b>
<b>Employment + Insurance agent (regular &amp; substantiality amount)</b>	<b>=</b>	<b>Form B</b>
<b>Employment + Enterprise doing online trading (Business income)</b>	<b>=</b>	<b>Form B</b>



# Our Services

## One Stop Business Advisory Hub

一站式企业咨询中心



**Tax Advisory & Planning**  
税务顾问及规划



**Business Advisory Service**  
商业管理及规划顾问



**Accounting & Bookkeeping Services**  
会计服务



**Entrepreneur Academy**  
企业商学院



**Company, Business & MOF Registration**  
公司, 商业及财政部许可证注册



**Corporate & Secretarial Advisory Services**  
公司秘书服务



**Audit & Assurance**  
审计



**Business Digitalization Services**  
企业数据化服务



**Estate Planning (Will & Trust)**  
遗产与信托规划



**Personal & Business Risk Management**  
个人及商业风险管理

*Perfect Biz Advisory Group*



# Contact us

 **A-77, Jalan Teluk Sisek, 25000 Kuantan,  
Pahang Darul Makmur**

 **Tel: 09-5158442/012-9202387**

 **[www.facebook.com/perfectbiz1968](https://www.facebook.com/perfectbiz1968)**

 **[hello@perfect-advisory.com](mailto:hello@perfect-advisory.com)**

 **[www.perfect-advisory.com](http://www.perfect-advisory.com)**



**CHOO CINDY**

大马资深特许会计师  
**Perfect Biz Advisory Group CEO**



PERFECT BIZ ADVISORY GROUP

Discover Potentials . Maximise Growth

*Thank You*



[www.perfect-advisory.com](http://www.perfect-advisory.com)



[perfectbiz1968](https://www.facebook.com/perfectbiz1968)



012-920 2387