

**Tajuk** : 60E. [Repealed] Approved operational headquarters company.  
**Tarikh Kuatkuasa** :  
**Tarikh Kuatkuasa Tamat** :  
**Kategori** : Rujukan Perundangan\Akta Cukai Pendapatan 1967 - Seksyen\PART III - ASCERTAINMENT OF CHARGEABLE INCOME\Chapter 8 - Special cases\

## Rencana

### **Akta Cukai Pendapatan 1967 (Akta 53) Pindaan Sehingga Akta 693 Tahun 2009**

**Tarikh Keluaran** :  
**Title** : Income Tax Act  
**Part** : PART III - ASCERTAINMENT OF CHARGEABLE INCOME  
**Chapter** : Chapter 8 - Special cases  
**Section** : 60E. [Repealed] Approved operational headquarters company.

60E. Deleted by Act 624

#### History

Section 60E is deleted by Act 624 of 2002 s13, shall have effect for the year of assessment 2003 and subsequent years of assessment.

#### Section 60E formerly reads:

"60E. (1) Where an approved operational headquarters company carries on a business in Malaysia of providing qualifying services, and a business or businesses in Malaysia other than that of providing qualifying services, the business of providing such qualifying services shall be treated as a separate and distinct business and source of the company.

(2) The chargeable income in relation to the source consisting of the provision of qualifying services for a year of assessment shall be the statutory income from that source reduced by any deduction falling to be made pursuant to section 43(2) relating to that source.

(3) The chargeable income in relation to the source or sources other than the source consisting of the provision of qualifying services for a year of assessment shall be the statutory income from that source or the aggregate of the

Approved operational headquarters company.  
*[Ins. Act 420;  
Am. Act 476.]*

statutory income from each of those sources, as the case may be, reduced by any deductions falling to be made pursuant to sections 43(2) and 44(1):

Provided that in so making the deductions under 43(2) and 44(1), no regard shall be had to the adjusted loss, if any, from the source consisting of the provision of qualifying services.

(4) Where it appears to the Director General that the chargeable income of an approved operational headquarters company in relation to a source consisting of the provision of qualifying services ought not to have been charged to tax at the rate specified under Part VII of Schedule 1 by reason of the withdrawal of the approval of the operational headquarters company, he may, at any time within six years after the expiration of the year of assessment for which that rate was applied, make such additional assessments upon that company as appear to him to be necessary in order to counteract any benefit obtained under Part VII of Schedule 1.

#### History

Subsection 60E(4) amended by Act 578 of 1998 s14, by substituting for the word "twelve" the word "six", in force from 1 January 1999.

(4A) The chargeable income of an approved operational headquarters company, resident in Malaysia for the basis year for a year of assessment, in relation to the source consisting of the provision of qualifying services, after deduction of the tax thereon, shall be credited to an account to be kept by that company (that account and that company being referred to as the "exempt account" and the "relevant company" respectively).

#### History.

Subsection 60E(4A) inserted by Act 476 of 1992 s15 (a), shall have effect for the year of assessment 1992 and subsequent years of assessment.

(5) (Repealed by Act 531 )

#### History.

Subsection 60E(5) deleted by Act 531 of 1995 s14(a), shall have effect for the year of assessment 1995 and subsequent years of

assessment.

Subsection 60E(5) formerly read:

" (5) Dividends received by an approved operational headquarters company in the basis period for a year of assessment from a related company outside Malaysia shall be exempt from tax for that year of assessment:

Provided that the exemption-

(a) shall apply for a period of ten years of assessment commencing from the year of assessment in the basis period in which the date of approval of the operational headquarters company falls; and

(b) shall apply only to a company which is incorporated in Malaysia on or after the coming into force of this section."

(6) Paragraphs 5 and 6 of Schedule 7A shall apply as if any reference in those paragraphs to any income exempted or which has become exempt under paragraph 3 were reference to income credited to the exempt account under subsection (4A).

History.

Subsection 60E(6) amended by Act 531 of 1995 s14 (b), by deleting the words "or income exempt under subsection (5)", shall have effect for the year of assessment 1995 and subsequent years of assessment.

Subsection 60E(6) formerly read:

"(6) Paragraphs 5 and 6 of Schedule 7A shall apply as if any reference in those paragraphs to any income exempted or which has become exempt under paragraph 3 were reference to income credited to the exempt account under subsection (4A) or income exempt under subsection (5)."

Subsection 60E(6) substituted by Act 476 of 1992 s15 (b), shall have effect for the year of assessment 1992 and subsequent years of assessment.

Subsection 60E(6) formerly read:

"(6) Paragraphs 5 and 6 of Schedule 7A shall apply mutatis mutandis to income exempt under subsection (5)."

(7) For the purposes of this section -

"approved operational headquarters company" means a company -

(a) which carries on a business in Malaysia of providing qualifying services to its offices outside Malaysia or to its related companies outside Malaysia; and

(b) which is approved by the Minister for the purposes of this section;

History.

Definition "approved operational headquarters company" in subsection 60E(7) substituted by Act 531 of 1995 s14(c)(i), shall have effect for the year of assessment 1995 and subsequent years of assessment.

Definition "approved operational headquarters company" in subsection 60E(7) formerly read:

" "approved operational headquarters company" means a company-

(a) the entire issue share capital of which held-

(i) by a foreign company or companies; or

(ii) by an individual or individuals who are not citizens at any time in the basis year for a year of assessment; or

(iii) by a foreign company or companies; and an individual or individuals who are not citizens at any time in the basis year for a year of assessment;

(b) which carries on a business in Malaysia of providing qualifying services to its offices outside Malaysia or to its related companies outside Malaysia; and

(c) which is approved by the Minister for the purposes of this section;".

History.

Definition "approved operational headquarters company" in subsection 60E(7) amended by Act 513 of 1994 s13(a) , by substituting for the comma in paragraph (c) a semicolon, shall be

deemed to have come into force on the 1st January 1993.

Definition "approved operational headquarters company" in subsection 60E(7) amended by Act 513 of 1994 s13(a) , by deleting the words "but does not include a company which carries on a finance business or which provides professional services;" , shall be deemed to have come into force on the 1st January 1993.

Definition "approved operational headquarters company" in subsection 60E(7) formerly read:

" "approved operational headquarters company" means a company-

(a) the entire issue share capital of which held-

(i) by a foreign company or companies; or

(ii) by an individual or individuals who are not citizens at any time in the basis year for a year of assessment; or

(iii) by a foreign company or companies; and an individual or individuals who are not citizens at any time in the basis year for a year of assessment;

(b) which carries on a business in Malaysia of providing qualifying services to its offices outside Malaysia or to its related companies outside Malaysia; and

(c ) which is approved by the Minister for the purposes of this section,

but does not include a company which carries on a finance business or which provides professional services;".

" foreign company" (deleted by Act 531 of 1995).

History.

Definition "foreign company" in subsection 60E (7) deleted by Act 531 of 1995 s14(c )(ii), shall have effect for the year of assessment 1995 and subsequent years of assessment.

Definition "foreign company" in subsection 60E (7) formerly read:

" "foreign company" means a foreign company as defined under the Companies Act 1965;"

"qualifying services" means -

(a) services provided by an approved operational headquarters company to its offices outside Malaysia or to its related companies outside Malaysia in respect of -

(i) general management and administration;

(ii) business planning;

(iii) procurement of raw materials, components and furnished products for use in the business of its offices outside Malaysia or its related companies outside Malaysia;

History.

Definition " qualifying services " in subparagraph 60E(7)(a)(iii) amended by Act 531 of 1995 s14(c )(iii), by substituting for the words "and components" the words ",components and finishing products", shall have effect for the year of assessment 1995 and subsequent years of assessment.

(iv) technical support;

(v) marketing control and sales promotion planning;

(vi) training and personnel management;

(b) provision of treasury and fund management services to its offices outside Malaysia or its related companies outside Malaysia and, where such services include the provision of credit facilities, the funds for providing such facilities are obtained from outside Malaysia or within Malaysia and where such funds are obtained from within Malaysia the amount shall not exceed ten million ringgit; and

History.

Interpretation of "qualifying services" in subsection 60E(7) amended by Act 544 of 1996 s11(a), by substituting paragraph (b), shall have effect for the year of assessment 1995 and subsequent years of assessment.

Paragraph (b) formerly read:

"(b) provision of treasury and fund management

services to its offices outside Malaysia or its related companies outside Malaysia and, where such services include the provision of credit facilities, where the funds for providing such facilities are obtained from outside Malaysia; and".

Definition "qualifying services" in paragraph 60E(7)(b) substituted by Act 513 of 1994 s13(c), shall be deemed to have come into force on the 1st January 1993.

Definition "qualifying services" in paragraph 60E(7)(b) formerly read:

"(b) provision of credit facilities to its offices outside Malaysia or its related companies outside Malaysia where the funds for providing such facilities are obtained from financial institutions in Malaysia; and".

(c) research and development work carried out in Malaysia on behalf of its offices outside Malaysia or its related companies outside Malaysia;

"related company", in relation to an approved operational headquarters company, means a company -

(a) the operations of which are or can be controlled, either directly or indirectly, by the approved operational headquarters company;

(b) which controls or can control, either directly or indirectly, the operations of the approved operational headquarters company; or

(c) the operations of which or can be controlled, either directly or indirectly, by a person or persons who control or can control, either directly or indirectly, the operations of the approved operational headquarters company.

History.

Interpretation of "related company" in subsection 60E (7) amended by Act 544 of 1996 s11(b)(i), by substituting for the colon at the end of paragraph (c) a full stop, shall have effect for the year of assessment 1995 and subsequent years of assessment.

Interpretation of "related company" in subsection 60E (7) amended by Act 544 of 1996 s11(b)(ii), by deleting the proviso thereto, shall have effect for the year of assessment 1995 and subsequent years of assessment.

The proviso formerly read:

" Provided that a company shall be deemed to be a related company in relation to an approved operational headquarters company if -

(i) at least twenty per cent of its issued share capital is beneficially owned, either directly or indirectly, by the approved operational headquarters company; or

(ii) at least twenty per cent of the issued share capital of the approved operational headquarters company is beneficially owned, either directly or indirectly, by the first-mentioned company." "