



YOU ARE THE NATION'S HERO

INDIVIDUAL BUSINESS INCOME

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Lembaga Hasil Dalam Negeri Malaysia

1-300-88-3010

Business Income

Sources of business income:

- i) Sole proprietorship ii) Partnership

Examples:

- Retail business
- Direct selling/Sales agent
- Agricultural business
- Hawkers
- Clinic, legal or any other professional services
- Writers and performing artist
- Online business

Responsibility

- Sole proprietor/Business Partner:
 - ✓ Complete and submit Form B (e-B) (husband and wife are to submit form separately)
- Business Partner:
 - ✓ Complete Form P (e-P) and CP30 (responsibility of the Managing Partner)
 - ✓ Submit Form P (e-P) without partnership's account
 - ✓ Write to LHDNM if partnership ceases operation or changes to sole proprietorship or becomes a limited company
- Keep business documents, records and accounts for 7 years
- Get services from approved tax agent's in preparing business accounts
- Payments must be made according to Installment Payment Notice (CP500)

Installment Payment by Individual

- 6 installment payments issued by LHDNM
- Payment starting March
- Each installments must be paid within 30 days
- Apply for amendment before 30th June

Disclaimer

This leaflet is issued for general information only. It does not contain final advice or complete information pertaining to a particular topic and should not be used as legal reference.

Please Note

- Deadline for submission of Form B, P and payment due of tax payable (if any): **30 June** every year
- Refer account statement, supporting documents, other income statements and receipts
- Please fill in the correct business code when filling the Return Form

Business Expenses

ALLOWABLE	NON-ALLOWABLE
<ul style="list-style-type: none"> ■ Expenses incurred in the production of business income <p>Example:</p> <ul style="list-style-type: none"> • Wages/salaries • Employees's EPF/SOCSO • Business insurance (burgalary/fire) • Rental on business premises • Interest on business loan 	<ul style="list-style-type: none"> ■ Domestic and private expenses <p>Example :</p> <ul style="list-style-type: none"> • Personal Electricity bill • Personal Water supply bill <ul style="list-style-type: none"> ■ Purchase of personal assets <p>Example :</p> <ul style="list-style-type: none"> • Car • House • Furniture

Capital Allowance

Deduction for capital allowance on business assets is claimable and will be given against adjusted income

Type and Rate of Capital Allowance

TYPE OF ALLOWANCE	TYPE OF ASSET	RATE (%)
Initial Allowance	All types of asset	20
Annual Allowance	Motor vehicles, Heavy machinery	20
	Plant and machinery	14
	Office equipment, Furniture and fittings	10
	Computer	40