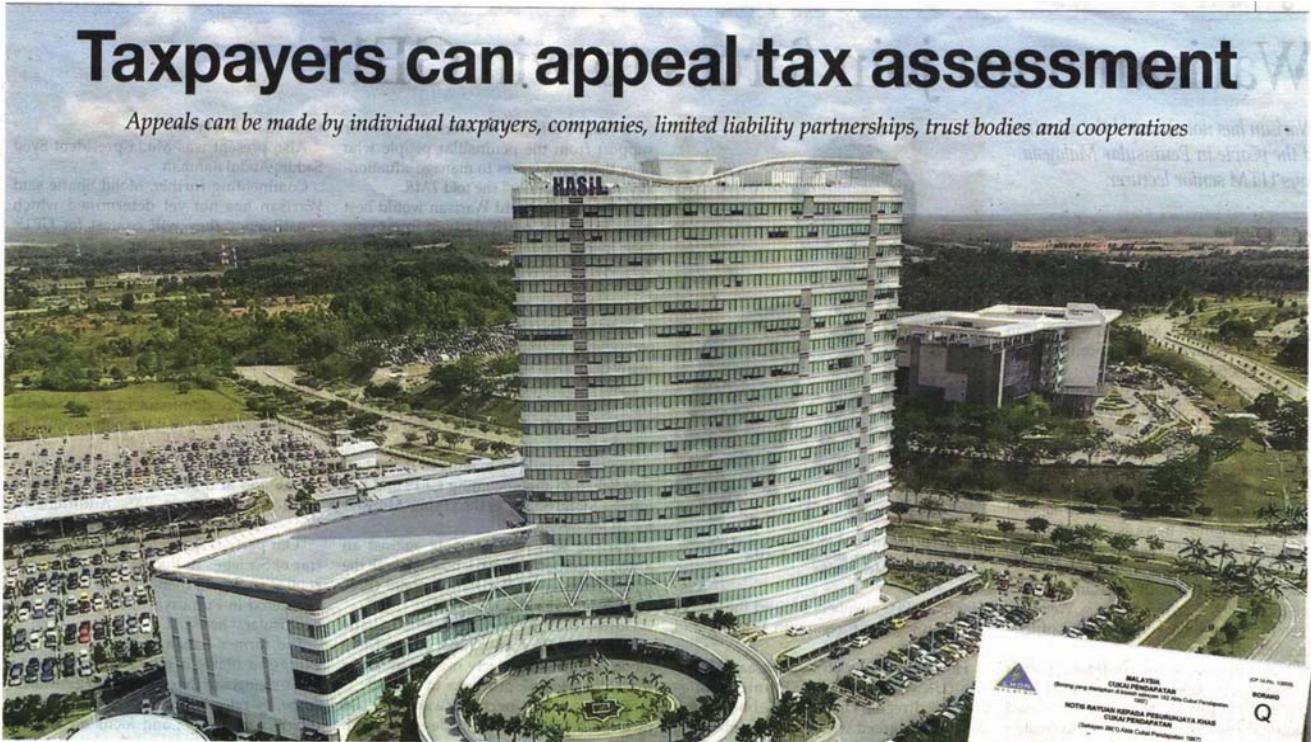


20 DEC, 2021

Taxpayers can appeal tax assessment

The Malaysian Reserve, Malaysia

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Taxpayers can appeal tax assessment

Appeals can be made by individual taxpayers, companies, limited liability partnerships, trust bodies and cooperatives

by FAREZZA HANUM RASHID

TAXPAYERS have the opportunity to make appeal and review taxes that have been raised either by the Inland Revenue Board of Malaysia (IRB) or assessed by the taxpayers themselves, if they are not satisfied with the tax imposed, subject to law.

Appeals can be made by individual taxpayers, companies, limited liability partnerships, trust bodies and cooperatives.

For companies and limited liability partnerships, appeals must be made by those authorised under the Income Tax Act (ITA) 1967, while for partnerships, only one appeal must be submitted if the issue of dispute is the same for each partner and the decision on the appeal applies to all partners.

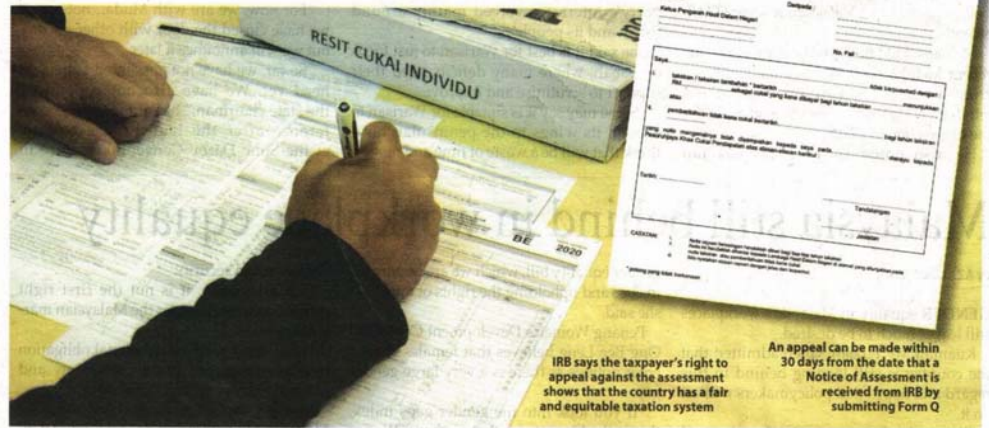
In a recent statement, IRB said it is always committed to providing the best service to its customers with an objective to implement an effective, fair and equitable taxation system.

From the 2019 year of assessment, if the assessment raised by IRB against a company, limited liability partnership, trust body or cooperative for their failure to submit the Return Form (RF), the appeal must be submitted together with the said RF.

The situations in which a taxpayer can make an appeal include when he or she believes that a tax relief is not given correctly; the taxpayer forgets to claim certain fees and expenses; and when the taxpayer is dissatisfied with income assessment made by the IRB.

An appeal can be made within 30 days from the date that a Notice of Assessment is received from IRB by submitting Form Q, which can be downloaded and printed through IRB's official portal <https://www.hasil.gov.my>.

The completed form, together with strong justification, must be submitted to the branch



IRB says the taxpayer's right to appeal against the assessment shows that the country has a fair and equitable taxation system

An appeal can be made within 30 days from the date that a Notice of Assessment is received from IRB by submitting Form Q

that handles the taxpayer's income tax file. The form must also be signed by the taxpayer and not a representative.

Additionally, an incomplete Form Q will not be accepted and will be returned to the taxpayer.

"If 30 days are not enough, the taxpayer can apply for a time extension by submitting Form N, which can be downloaded and printed through IRB's website.

"Make sure the application is backed by a solid justification. If time extension is approved, the taxpayer can proceed with the tax assessment appeal by using Form Q according to the new prescribed period," IRB said in the statement.

The review of the assessment will be made within 12 months from the date of receiving the notice of appeal. However, if necessary, IRB

may apply for an extension of time from the finance minister, not later than six months after the expiry of the original 12-month period.

"Any decision on appeal is subject to the provisions of the relevant laws," it added.

During the review period, the taxpayer can ask for a discussion session with IRB for the purpose of reviewing the decision that has been issued on the previous appeal.

An appeal will be submitted to the special commissioner of income tax to decide if no agreement is reached through the discussion session between IRB and the taxpayer.

"If you erroneously report in the RF submitted to IRB, whether you forgot to claim relief for claimable expenses, you can submit a relief application by letter or Form CP15C. Be sure to provide detailed justification related to the application.

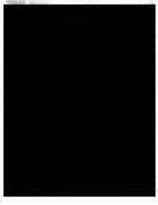
"The assessment will be amended again if the relief application is approved. Do not worry if the application is not approved because it can be submitted to the special commissioner of income tax to decide," IRB said.

IRB concluded that the taxpayer's right to appeal against the assessment shows that the country has a fair and equitable taxation system.

"This has a positive effect on taxpayers to always be compliant in reporting income and paying taxes as their contribution to the development of the country.

"IRB is always appreciative of the cooperation given by taxpayers, which is seen to be beneficial to both parties," it said.

Further information on this can be found in Public Ruling No.7/2020 through the IRB official portal at www.hasil.gov.my > Legislation > Public Ruling.



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SUMMARIES

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TAXPAYERS have the opportunity to make appeal and review taxes that have been raised either by the Inland Revenue Board of Malaysia (IRB) or assessed by the taxpayers themselves, if they are not satisfied with the tax imposed, subject to law. Appeals can be made by individual taxpayers, companies, limited liability partnerships, trust bodies and cooperatives.