

2016

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INDIVIDUAL EMPLOYMENT INCOME



EMPLOYMENT INCOME SUBJECT TO TAX

- Salary, wages, bonus, director's fee, commission, allowance, perquisite, gratuity, overtime payment, tips, compensation, Employees Share Option Scheme (ESOS), tax borne by employer, etc (item paid in cash or convertible to cash)
- Benefits-In-Kind from employer (cars, handphone, driver, maid, etc)
- Value of Living Accommodation provided by employer (VOLA)
- Employer's contributions for employee made to an unapproved pension provident fund
- Compensation for loss of employment

RESPONSIBILITY OF EMPLOYEE

- Complete and submit Form e-BE via **e-Filing**
- No need to submit the Income Tax Return Form if you opt for MTD as Final Tax (Further info can be obtained at www.hasil.gov.my)

PLEASE NOTE

Retain the Statement of Remuneration from employer (EA / EC / others) and receipts for 7 years

Deadline for submission of Form BE and payment of tax payable (if any): **30 April every year**

CRIMINAL OFFENCE

Failure to declare income within the stipulated period and failure to declare the correct amount of income (fictitious claims) in then Income Tax Return Form

CIVIL OFFENCE

Failure to pay income tax within the stipulated time: **30 April every year**

MONTHLY TAX DEDUCTION (MTD)

- Installment payment deducted from employee's monthly salary
- To ease the burden of paying tax in a lump sum amount by employee
- Calculated based on Computerised Calculation Method (**Kalkulator PCB / e-PCB / e-Data PCB**) or MTD Schedule
- Complete Form TP1 / TP3 to ensure employer does the correct MTD
- Minimum monthly remuneration (after EPF deduction):
 - Single Individual = **RM2,851**
 - Married Individual with Unemployed Spouse = **RM3,851**

REMUNERATION SUBJECT TO MTD (ALL TYPES OF EMPLOYMENT INCOME)

- 1 Salary
- 2 Overtime payment
- 3 Tips
- 4 Bonus / Incentive
- 5 Perquisite
- 6 Tax borne by employer
- 7 Employees Share Option Scheme (ESOS)
- 8 Wages
- 9 Commission
- 10 Allowance
- 11 Director's fee
- 12 Compensation
- 13 Gratuity
- 14 Benefits-In-Kind (BIK)
- 15 Value of Living Accommodation (VOLA)
- 16 Other Remuneration



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1-800-88-5436 (LHDN)

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