

2016

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INDIVIDUAL TAX COMPUTATION



YEAR OF ASSESSMENT 2015



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LEMBAGA HASIL DALAM NEGERI MALAYSIA

LHDNM/R08/16

INDIVIDUAL TAX COMPUTATION

- Under the Self-Assessment System, an individual is required to compute his own tax

EXAMPLE: SINGLE INDIVIDUAL

Mr Azman works in ABC Sdn Bhd. His income for 2015:

1	EMPLOYMENT INCOME	RM	RM
	Salary		108,000
	Bonus		4,500
	Commission		9,000
	Monthly Tax Deduction (MTD)		11,000
2	RENTAL INCOME	RM	RM
	Rental received		7,200
	Expenses:		
	Assessment		320
	*Penalty for late payment of assessment		32
	Bank Loan (Including interest RM2,136)		10,620
	Repair of roof		500
	Mr Azman claims the following expenses:		
	EPF	6,435	
	Medical insurance premium	2,640	
	Approved donation	1,000	
	Books and magazines	560	
	Zakat	1,575	

TAX COMPUTATION FOR MR AZMAN	RM	RM	RM
1 EMPLOYMENT			
Salary	108,000		
Bonus	4,500		
Commission	9,000		
Gross employment income	121,500		
2 RENTAL INCOME			
Gross Rental		7,200	
Less : Assessment	320		
Loan interest	2,136		
Repair of roof	500		
		2,956	
Adjusted rental income		4,244	
*Disallowable expenses			
3 Employment Income			
Rental		121,500	
Aggregate Income		125,744	
Less : Donation		1,000	
TOTAL INCOME		124,744	
Less : Individual & dependant relatives		9,000	
Books and magazines		560	
EPF (restricted)		6,000	
Medical insurance premium		2,640	
		18,200	
CHARGEABLE INCOME		106,544	

MR AZMAN'S TAX LIABILITY	RM	RM
Tax on first RM100,000	11,900.00	
Tax on the balance RM6,544 @ 24%	1,570.56	
TAX CHARGED	13,470.56	
Less : Zakat	1,575.00	
TAX PAYABLE	11,895.56	
Less : Monthly Tax Deduction (MTD)	11,000.00	
BALANCE OF TAX PAYABLE		895.56



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1-800-88-5436 (LHDN)

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EXAMPLE: MARRIED INDIVIDUAL

Mr Daniel and his wife are both employed by NNO Sdn Bhd and their income for 2015 are as follows:

	ENCIK DANIEL (RM)	WIFE (RM)
Salary	67,200	52,000
Monthly Tax Deduction (MTD)	1,000	150

Additional information:

- Mr Daniel is part time reporter and received a salary of **RM30,000** in 2015
- Mr Daniel and his wife have three (3) unmarried children:
 - First child studying in local university
 - Second child studying in a university abroad
 - Third child is a disabled individual and are still schooling
- Mr Daniel's wife claims relief for the third child

- Mr Daniel and his wife claimed the following expenses:

	ENCIK DANIEL (RM)	WIFE (RM)
EPF	10,032	4,620
Parents medical expenses	5,320	0
Full medical check up	520	450
Sports equipment	770	0
Life insurance premium	2,480	1,260
Education insurance premium	2,400	0
Education fees	3,500	0
Zakat	4,000	0

TAX COMPUTATION FOR MR DANIEL AND HIS WIFE (SEPARATE ASSESSMENT)

MR DANIEL	RM
Employment	67,200
Income as a part time reporter	30,000
TOTAL INCOME	97,200
Less : Individual and dependant relatives	9,000
Parents medical bill (restricted)	5,000
Full medical check-up (restricted)	500
Sports equipment (restricted)	300
Children (6,000 x 2)	12,000
EPF & life insurance (restricted)	6,000
Education fees	3,500
Education insurance premium	2,400
CHARGEABLE INCOME	58,500

MR DANIEL'S TAX LIABILITY	RM
Tax on first RM50,000	2,400.00
Tax on next RM8,500 @ 16%	1,360.00
TAX CHARGED	3,760.00
Less : Zakat (restricted)	3,760.00
TAX PAYABLE	0.00
Less : Monthly Tax Deduction (MTD)	1,000.00
TAX REPAYMENT	1,000.00

MR DANIEL'S WIFE	RM
Employment	52,000
TOTAL INCOME	52,000
Less : Individual and dependant relatives	9,000
Full medical check-up	450
Disabled child (6,000 x 1)	6,000
EPF & life insurance premium	5,880
CHARGEABLE INCOME	30,670
Less : Special Relief for 2015	2,000
CHARGEABLE INCOME	28,670

MR DANIEL'S WIFE TAX LIABILITY	RM
Tax on first RM20,000	150.00
Tax on next RM8,670 @ 5%	433.50
TAX CHARGED	583.50
Less : Rebate	400.00
TAX PAYABLE	183.50
Less : Monthly Tax Deduction (MTD)	150.00
BALANCE OF TAX PAYABLE	33.50