



SELF ASSESSMENT SYSTEM

EXPLANATORY NOTES TF 2021



ASSOCIATION

ADDITIONS / AMENDMENTS		
Item	Subject	Page
A11a	Carries on e-Commerce	3
A11b	Website / social media address	5
H1	Summary of business and partnership losses subjected to restriction under subsection 44(5F) of the Income Tax Act 1967	14
H2	Schedule 7A Reinvestment Allowance	14
	Tax Schedule for the year of assessment 2021	19

TOGETHER WE DEVELOP THE NATION

This Explanatory Notes is provided to assist associations in completing the Form TF for Year of Assessment 2021. Please read this Notes with care so that the declarations made therein on all sources of income for the Year of Assessment 2021 are true, correct and complete.

All records, working sheets and documents need not be enclosed when submitting the Form TF EXCEPT for the purpose of tax refund, in which case the following working sheet(s) is / are required to be submitted:

- (a) Working Sheet HK-6 pertaining to the claim for section 110 tax deduction (others); and
- (b) Working Sheet HK-8 / HK-9 (if relevant) relating to the tax deducted in the foreign country.

Working sheets, appendices and other information to complete Form TF are available at the LHDNM Official Portal: <https://www.hasil.gov.my> > Forms > Download Forms > Non-Company & Non-Individual >

Computation Guide & Other Information

All records, documents and working sheets used in the computation must be kept for a period of seven (7) years after the end of the year in which the return form is furnished to the Director General of Inland Revenue, for future reference and inspection if required.

Please complete all relevant items in **block letters** and use **black** ink pen. Leave the item(s) blank if not applicable.

Declare the amount in Ringgit Malaysia currency (RM). Please indicate the amount in *sen* for items B32a to B34, C35a to C36, Part D and Part E, whereas the amount in other parts only needs to be indicated in *ringgit*.

Example: Statutory Income for Business 1 (item B1) RM125,955.67
 Total Tax Chargeable (item C36) RM 16,929.20

B1	Business 1	, , , 1 2 5 , 9 5 5
C36	TOTAL TAX CHARGEABLE (C35a to C35g)	C36 , , , 1 6 , 9 2 9 . 2 0

WHO HAS TO DECLARE AND FILL OUT FORM TF

An association which is registered or formed either for the purpose of running activities to provide facilities and benefits to its members or safeguarding and promoting interests of its members or provides services to a group of persons. The association's controlling member such as chairman, president, secretary and treasurer is required to declare all sources of income and expenses of that association in Form TF.

Reporting must be made in accordance with the **calendar year** coinciding with a year of assessment. If the association's accounting period ends on a date other than 31 December, adjustments must be made to ensure tax computation is for the basis period from January to December.

Please refer to Public Ruling No. 1/2015 (Club, Association Or Similar Institution) at the LHDNM Official Portal as a guide: <https://www.hasil.gov.my> > Legislation > Public Rulings.

BASIC INFORMATION

1	Name of association as registered with the Register of Societies or others
	<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; border-radius: 10px; padding: 2px; margin-right: 10px;">1</div> <div style="margin-right: 10px;">Name of Association</div> <div style="border: 1px solid black; padding: 2px;">K E L A B K E B A J I K A N</div> </div>
2	The association's income tax no. as registered with LHDNM.
	<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; border-radius: 10px; padding: 2px; margin-right: 10px;">2</div> <div style="margin-right: 10px;">Income Tax No. F</div> <div style="border: 1px solid black; padding: 2px;">0 1 2 3 4 5 6 7 0 9</div> </div>

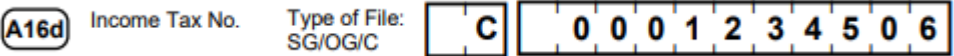
STATUS OF TAX

To facilitate the processing of return forms, please complete this part correctly based on the tax computed up to part E on page 8 of Form TF 2021. Enter 'X' in one relevant box only.

PART A:		PARTICULARS OF ASSOCIATION
A1	Association is resident in Malaysia	Enter '1' in the box provided if the association is resident in Malaysia or '2' if resident outside Malaysia. In general, an association is considered resident in Malaysia for the basis year if at any time during that basis year, the management and control of its affairs or any business are exercised in Malaysia by its directors or other controlling authority.
A2	Country where management and control of its affairs are exercised	Enter the country code 'MY' if item A1 = 1. Refer to the country codes on page 19 of this explanatory notes or the full list in Appendix E.
A3	Employer's no.	Employer's E reference number (if relevant).
A4	Tax exemption approval	Enter '1' ('Yes') if tax exemption has been granted to the association or '2' ('No') if no tax exemption has been granted / has not been approved yet or the association has never applied for any tax exemption. Part B and C NEED NOT be filled if tax exemption has been granted to the association. Enter the amount of tax exempt income in Part L Form TF.
A5	Tax exemption approval no.	Enter tax exemption approval number if tax exemption has been granted to the association
A6	Registration certificate no.	Registration certificate number as registered with the Registrar of Societies or others.
A7	Date established	Enter the date of establishment of the association.
A8	Type of association	Type of association as registered / established. Refer to the provision under subsection 44(7) of Income Tax Act 1967 (ITA 1967) to determine whether an association falls within the definition of an 'institution' or 'organization'. If the association does not fall under any of the above definition, the name of the association may be used as a basis to determine the type of the association or select '8' ('Others') for other types of association which are not classified under code 1 to 7 in item A8.
A9	Percentage of expenses incurred on association's activities	Enter the percentage of expenses from income and donations received by an association relating to the amount spent on its main activities in achieving the objectives for which it is established. Note: An association which has been granted tax exemption under subsection 44(6) of ITA 1967 is required to fill this item
A10	Record-keeping	This refers to the keeping of sufficient records as required under the provision of ITA 1967. Enter '1' for full compliance or '2' for non-compliance.
A11a	Carries on e-Commerce	Enter '1' in the box for ('Yes') if the association carries on a business in selling any goods or rendering any service online. If 'Yes', also complete item A11b. Enter '2' ('No') if the association does not carry on any e-Commerce business, or not relevant. An association is considered to be engaged in e-commerce business if the business operations are included in the e-commerce business model as in the table below. This business model is a general guide for taxpayers.

e-Commerce Business Model	Descriptions	Examples
1. Perform transactions for the sale of goods or services through online.	<p>Sales transaction on goods and services performed online that fulfilled the following criteria:</p> <p>a. Using electronic / internet network for the purpose of making and receiving orders.</p> <p>b. Payment and delivery of goods or services can be done online or offline.</p>	<p>a. Business that use:</p> <p>i. Social media e.g.: Instagram, Facebook, Whatsapp, Telegram, and etc.</p> <p>ii. e-Commerce Platform e.g.: Lazada, Shopee, Zalora, e-Bay, and etc.</p> <p>iii. e-Commerce website</p> <p>iv. Other mediums that not mentioned above.</p> <p>b. Online service providers / consultations such as online learning, health consultations and lifestyle, ebook services and others. (e.g.: www.doctoroncall.com.my/)</p>
2. App stores/ play stores/ website	<p>a. Provider of Apps Store / Play Store / website that enable the user to subscribe, place order or generate income through the online platform.</p> <p>b. Users who conduct e-commerce activities through App Stores/Play Stores/Websites to generate revenue online.</p>	<p>a. Provide applications that offer subscriptions to music or video streaming. e.g.: Tonton, iflix, and etc.</p> <p>b. Generate income through the online platform using service applications. e.g.: Airasia, Trivago, Grab, Foodpanda, Lalamove, and etc.</p>
3. Online advertising	<p>Using the Internet as an advertising medium for promoting products or services to customers.</p>	<p>a. Advertisers and search engine ads e.g.: Google AdSense, Facebook Ads, Blog, Instagram Ads, and etc.</p> <p>b. Users that generate income through the online platform e.g.: Youtube, Tik Tok, Facebook, Instagram paid review, online games, and etc.</p>
4. Cloud computing	<p>Provision of standardised, configurable, on-demand, online computer services which can include computing, storage,</p>	<p>a. Infrastructure-as-a-service e.g.: Amazon Web Services, Windows Azure, Google Compute Engine, Rackspace Open Cloud IBM SmartCloud Enterprise and etc.</p>

		<table border="1"> <tr> <td></td> <td>software, data management, using shared physical and virtual resources. Users can access the services using various types of device provided that they have internet connection.</td> <td> b. Platform-as-a-service e.g.: Window Azure, Google App Engine, Force.com and etc. c. Content-as-a-service e.g.: Spotify, Netflix and etc. d. Data-as-a-service e.g.: BrightPlanet DaaS Platform, ATTOM Daas Platform, Third Eye Data, ScaleFocus, ScienceSoft and etc. e. Software-as-a-service e.g.: Microsoft 365, Google Workspace, Adobe Creative Cloud and etc. </td> </tr> <tr> <td>5. Payment services</td> <td>Providers of online payment services that involve online transactions by buyers and sellers</td> <td>Online payment platform providers such as MOLPay, lpay88, Boost and etc.</td> </tr> <tr> <td>6. Digital currency / token</td> <td>Selling, buying or mining or digital tokens.</td> <td>Digital currency e.g.: Bitcoin, Ripple, Ethareum, and etc.</td> </tr> </table> <p>For more information, please refer to the Guidelines on Taxation of Electronic Commerce Transactions dated 13th May 2019 that is accessible on the Official Website of LHDNM, https://www.hasil.gov.my</p>		software, data management, using shared physical and virtual resources. Users can access the services using various types of device provided that they have internet connection.	b. Platform-as-a-service e.g.: Window Azure, Google App Engine, Force.com and etc. c. Content-as-a-service e.g.: Spotify, Netflix and etc. d. Data-as-a-service e.g.: BrightPlanet DaaS Platform, ATTOM Daas Platform, Third Eye Data, ScaleFocus, ScienceSoft and etc. e. Software-as-a-service e.g.: Microsoft 365, Google Workspace, Adobe Creative Cloud and etc.	5. Payment services	Providers of online payment services that involve online transactions by buyers and sellers	Online payment platform providers such as MOLPay, lpay88, Boost and etc.	6. Digital currency / token	Selling, buying or mining or digital tokens.	Digital currency e.g.: Bitcoin, Ripple, Ethareum, and etc.
	software, data management, using shared physical and virtual resources. Users can access the services using various types of device provided that they have internet connection.	b. Platform-as-a-service e.g.: Window Azure, Google App Engine, Force.com and etc. c. Content-as-a-service e.g.: Spotify, Netflix and etc. d. Data-as-a-service e.g.: BrightPlanet DaaS Platform, ATTOM Daas Platform, Third Eye Data, ScaleFocus, ScienceSoft and etc. e. Software-as-a-service e.g.: Microsoft 365, Google Workspace, Adobe Creative Cloud and etc.									
5. Payment services	Providers of online payment services that involve online transactions by buyers and sellers	Online payment platform providers such as MOLPay, lpay88, Boost and etc.									
6. Digital currency / token	Selling, buying or mining or digital tokens.	Digital currency e.g.: Bitcoin, Ripple, Ethareum, and etc.									
A11b	Website / social media address	Website address refers to the address of the website Social media address refers to the address of the social media that used to conduct the business (if any).									
A12	Correspondence address of association	Address to be used for any correspondence with LHDNM.									
A13	Registered address of association	The registered address as per the registration document with the Registrar of Societies or any official documentation of the association, if any.									
A14	Address where association's records are maintained	Enter '1' if the records and documents of the association are kept as per the correspondence address in item A12 or '2' if kept at the registered address as per item A13. Enter '3' if not kept at the address as per item A12 and A13.									
A15	Other address	State the address where records of the association are kept if item A14 = 3.									
A16	Particulars of association's controlling members	Enter the particulars of the association's controlling members (chairman / president / manager / secretary / treasurer) where relevant.									
A16a	Name	State the full name of the association's chairman / president / manager, secretary and treasurer in this item. The same person may hold more than one position depending on the association's constitution. Enter the name of the first secretary and treasurer if there is more than one person holding the same position.									

A16b	Identification No	Enter the identification number (identity card / police / army number, whichever is relevant) of the association's chairman / president / manager, secretary and treasurer.
A16c	Passport no.	Enter the most recent passport number of the association's chairman / president / manager, secretary and treasurer.
A16d	Income tax no.	Enter the income tax number of the association's chairman / president / manager, secretary and treasurer, if any. Example: Income tax no. is C 0001234506 
A16e	Telephone No.	Enter the telephone number of the association's chairman / president / manager, secretary and treasurer
A17	Particulars of association's bank account	Enter the bank name information and bank account number of the association
A17a	Name of Bank	State the name of the bank where the association has a bank account. For the purpose of electronic refund of income tax.
A17b	Bank Account No.	Bank account number of the association in relation to item A17a.
A18	Subject to Income Tax (Country-by-Country Reporting) Rules 2016	Enter '1' if the association is the constituent entity of MNE group subject to Income Tax (Country-by-Country Reporting) Rules 2016 and the Income Tax (Country-by-Country Reporting) (Amendment) Rules 2017. Enter '2' for 'No' if not applicable If A18 = '1' ('Yes'), also complete item A19. Constituent entity : a) Any separate business unit of MNE group that is included in the consolidated financial statements of the MNE group or would be so included if equity interests in such business unit were traded on a public securities exchange; b) Any separate business unit that is excluded solely on grounds of size or materiality from the MNE group's consolidated financial statements; c) Any permanent establishment of any separate business unit of the MNE group mentioned in paragraph (a) or (b), provided that the business unit prepares a separate financial statement for such permanent establishment for financial reporting, regulatory, tax reporting or internal management control purposes. References: <input type="checkbox"/> Income Tax (Country-by-Country Reporting) Rules 2016 (P.U. (A) 357/2016) and Income Tax (Country-to-Country) (Amendment) Rules 2017 (P.U. (A) 416/2017). <input type="checkbox"/> Law and regulations and guidelines related CbCR reporting at LHDNM Official Portal: https://www.hasil.gov.my > International

A19	Subject as a reporting entity / non-reporting entity (If A18 = 1)	<p>Any constituent entity of a MNE group subject to subparagraph 6(1) or subparagraph 6(2) of the Income Tax (Country-by-Country Reporting) Rules 2016 and (Amendment) Rules 2017 shall inform the identity and tax residence of the reporting entity.</p> <p>Enter '1' if the association is the constituent entity and subject as a reporting entity, then complete Part M of this form. Enter '2' if the association is a non-reporting entity and complete Part N of this form.</p> <p>Reporting entity refers to ultimate holding entity or surrogate holding entity. Non-reporting entity refers to a multinational corporation group of multinational corporations resident in Malaysia or a permanent establishment in Malaysia which is not a reporting entity.</p> <p>References:</p> <p><input type="checkbox"/> Income Tax (Country-by-Country Reporting) Rules 2016 (P.U. (A) 357/2016) and Income Tax (Country-to-Country) (Amendment) Rules 2017 (P.U. (A) 416/2017).</p> <p><input type="checkbox"/> Law and regulations and guidelines related CbCR reporting at LHDNM Official Portal:</p> <p style="text-align: center;">https://www.hasil.gov.my > International</p>
A20	Has financial account(s) at financial institution(s) outside Malaysia	<p>Enter '1' if there is / are financial account(s) at a financial institution(s) outside Malaysia or '2' if there is none / not relevant. Refer to the following information before make an option:</p> <p>This declaration is a counter check measure to ensure compliance of the Malaysian tax law, in line with Malaysia's commitment to the Automatic Exchange of Financial Account Information with other tax jurisdictions. Under this commitment, Malaysia will also be receiving information on financial accounts kept at overseas by Malaysian tax resident.</p> <p>However, please note that having a financial account(s) in overseas is not an indication that a tax non-compliance has occurred.</p> <p>"Financial Account" refers to a financial account maintained by a financial institution outside Malaysia which includes:</p> <p>i) Depository Accounts</p> <ul style="list-style-type: none"> • Savings account, current account and other deposit accounts. <p>ii) Custodial Accounts</p> <ul style="list-style-type: none"> • An account (other than an Insurance Contract or Annuity Contract) for the benefit of another person that holds any financial instrument or contract held for investment. <p>iii) Cash Value Insurance Contracts</p> <ul style="list-style-type: none"> • An insurance contract where the policyholder is entitled to receive payment on surrender or termination of the contract. An insurance contract will also be a Cash Value Insurance Contract where the policyholder can borrow against the contract. It is an investment product that has an element of life insurance attached to it. The life insurance element usually is small compared to the investment element.

		<p>iv) Annuity Contracts</p> <p>A contract:</p> <ul style="list-style-type: none"> • Under which the issuer agrees to make payments for a period of time determined in whole or in part by reference to the life expectancy of one or more individuals; or • That is considered to be an annuity contract in accordance with the law, regulation or practice of Malaysia in which the contract was issued and under which the issuer agrees to make payments for a term of years. <p>v) Equity and Debt Interests in Investment Entities</p> <p>Further details on Automatic Exchange of Financial Account Information are available at the LHDNM Official Portal, https://www.hasil.gov.my > International > Automatic Exchange of Information (AEOI) > Common Reporting Standard (CRS).</p>
PART B:		STATUTORY INCOME, TOTAL INCOME AND TOTAL TAX CHARGEABLE
IF A1 = 1, FILL IN THIS PART FOR AN ASSOCIATION <u>RESIDENT</u> IN MALAYSIA		
B1 – B3	Statutory business income	<p>Gains or profits from carrying on a business, trade, vocation, profession and every manufacture, adventure or concern in the nature of trade are liable to tax.</p> <p>The gains or profits include gross receipts from the sales of goods and services rendered such as by doctors or lawyers.</p> <p>If there are more than three (3) businesses, enter the sum of statutory income from Business 3 and so forth in item B3. List out Business 3 and so forth as per format B1 and B2 for each business by using attachment(s) and submit together with the Form TF.</p> <p>Amount J5 from Working Sheet HK-1 / amount L from Working Sheet HK-1D</p>
B4 – B6	Statutory partnership income	<p>Share of profit / loss from carrying on a business, trade, vocation, profession and every manufacture, adventure or concern in the nature of trade is liable to tax.</p> <p>If there are more than three (3) partnership businesses, enter the sum of statutory income from Partnership 3 and so forth in item B6. List out Partnership 3 and so forth as per format B4 and B5 for each business by using attachment(s) and submit together with the Form TF. Amount E / G from Working Sheet HK-1B</p>
	Capital allowance	<p>Claim for depreciation on the use of business assets is disallowed. However, it is allowed in the form of capital allowance which is deductible from the adjusted business / partnership income. The applicable rate of allowance depends on the type of asset. Working Sheets HK-1.2 to HK-1.2A can be used as a guide to compute.</p>
B8	Business losses brought forward	<p>Business / partnership losses suffered in earlier years of assessment and brought forward to the current year to be set off against business / partnership income.</p> <p>Amount from Working Sheet HK-1.3. If the amount in B8 exceeds amount in B7, enter the amount as per item B7 in this item.</p>
B10	Interest	<p>Interest is money paid for the use of money or the creditor's share of the profit which the borrower or the debtor is presumed to make from the use of money. Gross income from interest must be declared when it first becomes receivable in the relevant period.</p> <p>Amount E from Working Sheet HK-5.</p>

	Discounts	Earnings from discounting transactions such as treasury bills, bills of exchange and promissory notes.
B11	Rents	These are rental received in respect of houses, shop houses, land, plant, machines, furniture and other similar assets. Amount E from Working Sheet HK-4B.
	Royalties	Royalties includes any sum paid as consideration for, or derived from: <ul style="list-style-type: none"> a) the use of, or the right to use in respect of, any copyrights, software, artistic or scientific works, patents, designs or models, plans, secret processes or formulae, trademarks or other like property or rights; b) the use of, or the right to use, tapes for radio or television broadcasting, motion picture films, films or video tapes or other means of reproduction where such films or tapes have been or to be used or reproduced in Malaysia, or other like property or right; c) the use of, or the right to use, know-how or information concerning technical, industrial, commercial or scientific knowledge, experience or skill; d) the reception of, or the right to receive, visual images or sounds, or both, transmitted to the public by satellite, cable, fibre optic or similar technology. e) the use of, or the right to use, visual images or sounds, or both, in connection with television broadcasting or radio broadcasting transmitted by satellite, cable, fibre optic or similar technology. f) the use of, or the right to use, some or all of the part of the radio frequency spectrum specified in a relevant licence; g) a total or partial forbearance in respect of: <ul style="list-style-type: none"> (i) the use of, or the granting of the right to use, any such property or right as is mentioned in paragraph (a) or (b) or any such knowledge, experience or skill as mentioned in paragraph (c); (ii) the reception of, or the granting of the right to receive, any such visual images or sounds as mentioned in paragraph (d); (iii) the use of, or the granting of the right to use, any such visual images or sounds as mentioned in paragraph (e); or (iv) the use of, or the granting of the right to use, some or all such part of the spectrum specified in a spectrum licence as mentioned in paragraph (f); or h) the alienation of any property, know-how or information as mentioned in paragraph (a), (b) or (c). <p>Amount H from Working Sheet HK-5</p>
B12	Annuities	These are sums of money received in accordance with a will or an investment of money entitling the annuitants or investors to a series of annual payments, whether or not received regularly or for a limited period only.
	Periodical payments	These refer to recurring payments received at fixed times.
B13	Other gains or profits	Other income not falling under any of the above categories. Submit Working Sheet HK-6 and original vouchers with the return form if the association is entitled to a tax refund.

B14	Additions pursuant to paragraph 43(1)(c)	<p>The following earnings / proceeds are deemed income and must be taken into account as aggregate income.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Earnings / proceeds in relation to expenditure on prospecting operations under Schedule 4 of ITA 1967. <input type="checkbox"/> These earnings / proceeds are taken into account in the tax computation if claims for such expenditure have previously been made. <input type="checkbox"/> Refer to paragraph 43(1)(c) and paragraph 16 of Schedule 4 of ITA 1967 for computing the amount of income to be included as aggregate income. <input type="checkbox"/> Computations must be properly kept for examination.
B17	Current year business losses	<p>Current year business / partnership losses can be deducted from the same year's aggregate income from all sources.</p> <p>Example: Business losses for the year 2021 can be deducted from the aggregate income of the year 2021.</p> <p>Amount from Working Sheet HK-1.3.</p> <p>Amount in B17 is restricted to the amount in B16. If the amount in B17 exceeds the amount in B16, enter the amount as per B16 in this item</p>
B19	Qualifying prospecting expenditure – Schedule 4	<p>Expenditure on prospecting operations in searching for, discovering or winning access to mineral deposits in an eligible area or in testing such deposits, is deductible if incurred and claimed by the individual. This amount is restricted to the amount in B18 Form TF.</p> <p>Schedule 4 and paragraph 44(1)(b) of ITA 1967</p> <p>The computation must be properly kept for future examination</p>

B21 – B28

DONATIONS / GIFTS / CONTRIBUTIONS / ZAKAT

Contribution in fighting against the COVID-19 pandemic

Tax deductions on contribution and donation in cash or in kind to fight the COVID-19 pandemic. For classification purpose, please refer to the LHDNM Official Portal, <https://www.hasil.gov.my> > Quick Links > FAQs MCO 3.0 > Frequently Ask Question On Contribution / Donation.

Gift of money to the Government / State Government / local authority

Subsection 44(6) ITA 1967.

Gift of money to an approved institution / organisation / fund

Gift of money to any institution / organisation / fund approved by the Director General of Inland Revenue. Subsection 44(6) and proviso, ITA 1967.

Gift of money for any sports activity approved by the Minister of Finance

Subsection 44(11B) and proviso, ITA 1967.

Gift of money or cost of contribution in kind for any project of national interest approved by the Minister of Finance

Subsection 44(11C) and proviso, ITA 1967.

Gift of money in the form of wakaf to any religious authority / religious body / public university or gift of money in the form of endowment to a public university

Gift of money in the form of:-

- a) wakaf made to any appropriate religious authority established under any written law, body established by that appropriate religious authority or public university allowed by that appropriate religious authority to receive wakaf; or
- b) endowment made to a public university.

The wakaf or endowment must be made for the purpose of achieving the objective of establishment of the appropriate religious authority, body or public university.

Subsection 44(11D) and proviso, ITA 1967

Restricted
to 10%
of B16

Gift of artefacts / manuscripts / paintings to Government or State government

Gift of artefacts, manuscripts or paintings to the Government will be based on the value determined by the Department of Museum Malaysia or the National Archives. Subsection 44(6A) of ITA 1967

Gift of money for the provision of library facilities or to libraries

Gift of money not exceeding RM20,000 for the provision of library facilities to public libraries or libraries of schools / institutions of higher learning. Subsection 44(8) of ITA 1967

Gift of paintings to the National Art Gallery or any state art gallery

Gift of paintings based on the value of the gift of paintings as determined by the National Art Gallery or any state art gallery. Subsection 44(11) of ITA 1967

Zakat Perniagaan

The amount which can be claimed is restricted to 2.5% of the aggregate income in B16. Subsection 44(11A) of ITA 1967.

B31	Taxable pioneer income	<p>Pioneer status is a tax incentive as defined under the provision of section 5 to section 25 of the Promotion of Investments Act (PIA) 1986.</p> <p>The income received is either partially or fully tax exempt. Pioneer status is granted by the Minister of International Trade & Industry and with the concurrence of the Minister of Finance.</p> <p>A sole proprietorship which participates in a promoted activity or produces a promoted product in relation to agriculture (agro-based) is eligible to apply.</p> <p>Refer to Working Sheet HK-1E for the purpose of computation.</p>									
B33a	Tax on the first	<p>Match the chargeable income from item B32 with the range of chargeable income as provided in the tax schedule (page 19 of this explanatory notes).</p> <p>Contoh:</p> <p>Chargeable income as per B31: RM35,500</p> <p>Use category D of the tax schedule to compute as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Tax on the first</td> <td style="width: 20%; text-align: right;">RM35,000</td> <td style="width: 20%; text-align: right;">RM 600.00</td> </tr> <tr> <td>Tax on the balance</td> <td style="text-align: right;">RM 500 @ 8%</td> <td style="text-align: right;"><u>RM 40.00</u></td> </tr> <tr> <td>Total income tax</td> <td></td> <td style="text-align: right;"><u>RM 640.00</u></td> </tr> </table> <p>Enter in items B33a, B33b and B34 of the Form TF as shown below:</p>	Tax on the first	RM35,000	RM 600.00	Tax on the balance	RM 500 @ 8%	<u>RM 40.00</u>	Total income tax		<u>RM 640.00</u>
Tax on the first	RM35,000		RM 600.00								
Tax on the balance	RM 500 @ 8%		<u>RM 40.00</u>								
Total income tax		<u>RM 640.00</u>									
B33b	Tax on the balance										
B34	Total tax chargeable										

B33a	Tax on the first	3 5 0 0 0		6 0 0 0 0
B33b	Tax on the balance	5 0 0	8	4 0 0 0
B34	TOTAL TAX CHARGEABLE (B33a + B33b)		B34	6 4 0 0 0

PART C: STATUTORY INCOME, TOTAL INCOME AND TOTAL TAX CHARGEABLE

IF A1 = 2, FILL IN THIS PART FOR AN ASSOCIATION NOT RESIDENT IN MALAYSIA.

C1 - C31	Refer to the explanation for Part B (except interest and royalties) from pages 8 to 11 of this Explanatory Notes.
----------------	--

C33	Gross income subject to tax at other rates	For an association which is not resident in Malaysia, income such as interest, royalties, special classes of income under section 4A and other income are subject to tax at rates other than 30%. These types of income are taxed on gross at rates determined by the Avoidance of Double Taxation Agreements (DTA – Refer to Appendix F); or the Income Tax Act 1967 if there is no DTA.
C33a	Interest	Enter the amount of taxable gross income from interest.
C33b	Royalties	Enter the amount of taxable gross royalty income.
C33c	Special classes of income under section 4A	Special classes of income includes amount received in respect of: <ul style="list-style-type: none"> <input type="checkbox"/> consideration of services rendered in connection with the use of property or rights belonging to, or the installation or operation of any plant, machinery or other apparatus from, such non-resident person; <input type="checkbox"/> consideration of any advice given, or assistance or services rendered in connection with the management or administration of any scientific, industrial or commercial undertaking, venture, project or scheme; or <input type="checkbox"/> rent or other payments made under any agreement or arrangement for the use of any movable property. Reference: Public Ruling No. 11/2018
C33d	Other income	Other income not mentioned above. Enter the amount of other gross income subject to tax at rates other than 30%.

C35 COMPUTATION OF TAX CHARGEABLE
– Division of chargeable income according to the rate applicable.
C36 Refer to Appendix F or ITA 1967 if there is no DTA.

Example:
The association is resident in Australia and received income from interest and royalty
Total income subject to tax at rate 30% in item **C32:** **RM50,500**
Total income subject to tax at rate 15% in item **C33a:** **RM10,000**
Total income subject to tax at rate 10% in item **C33b:** **RM25,000**

Enter in items **C35a**, **C35d**, **C35f** and **C36** of the Form TF as shown below:

	Chargeable Income	Rate (%)	Tax Chargeable
C35a	5 0 5 0 0	30	1 5 1 5 0 0 0
C35d	Gross Income subject to tax at other rates 2 5 0 0 0	10	2 5 0 0 0 0
C35f	1 0 0 0 0	15	1 5 0 0 0 0
C36	TOTAL TAX CHARGEABLE (C34a to C34g)	C36	1 9 1 5 0 0 0

PART D:		TAX PAYABLE / REPAYABLE
D1	Total tax chargeable	Total tax chargeable for an association RESIDENT in Malaysia is from item B34 or C36 if NOT RESIDENT .

D2	Tax deduction under section 110 (others)	<p>Compute the tax deducted under section 110 by using Working Sheet HK-6 in respect of other income such as interest, royalties, section 4A income and income from a trust.</p> <p>Section 110 tax deduction (others) does NOT include withholding tax payment pursuant to Section 107A of ITA 1967.</p> <p>Please submit original relevant documents and Working Sheet HK-6 if you are entitled to a tax refund.</p> <p>Amount B from Working Sheet HK-6.</p>
D3	Section 132 tax relief	<p>Tax relief in respect of income brought into Malaysia on which tax has been charged in the country of origin which have Avoidance of Double Taxation Agreements (DTA) with Malaysia.</p> <p>Refer to Appendix F for the list of countries which have DTA with Malaysia.</p> <p>Refer to Schedule 7 of ITA 1967 and Working Sheet HK-8 to compute the amount of credit.</p>
D4	Section 133 tax relief	<p>Tax relief in respect of income brought into Malaysia on which tax has been charged in the country of origin which does NOT have Avoidance of Double Taxation Agreements with Malaysia.</p> <p>Refer to Schedule 7 of ITA 1967 and Working Sheet HK-9 to compute the amount of credit.</p>
PART E:		STATUS OF TAX
E1	Tax payable	Amount from item D5
E2	Installments paid	Enter self-paid instalments / CP500 payment (tax instalment paid according to notice under section 107B) made by the taxpayer in 2021. This payment does not include the instalment paid on tax overdue for previous years of assessment
E3	Balance of tax payable	<p>E1 minus E2.</p> <p>The balance of tax payable must be paid within the stipulated period.</p> <p>Payment can be made via:</p> <p>(a) ByrHaSiL at the ByrHASiL LHDNM Portal, https://byrhasil.hasil.gov.my.</p> <ul style="list-style-type: none"> • Payment via FPX (<i>Financial Process Exchange</i>) at https://byrhasil.hasil.gov.my/fpx.php. • Payment via Visa, Mastercard & American Express at https://byrhasil.hasil.gov.my/creditcard/. <p>(b) Appointed banks - Information can be obtained at https://www.hasil.gov.my</p> <p>(c) Pos Malaysia Berhad – Counter only.</p> <p>Use payment code '084' and instalment no. '99' when making payment for tax or balance of tax payable.</p>
E4	Tax paid in excess	E2 minus E1.
After computing the tax up to Part E, you are reminded to complete the 'Status of Tax' section on page 1 of Form TF 2021.		
PART F:		DISPOSAL OF ASSET UNDER THE REAL PROPERTY GAINS TAX ACT 1976
F1	Disposal of asset under the Real Property Gains Tax Act 1976	Refers to chargeable asset under the Real Property Gains Tax Act 1976. Enter '1' for 'Yes' if there is disposal of asset, and also complete item F2. Enter '2' for 'No' if not applicable.
F2	Disposal declared to LHDNM	Enter '1' ('Yes') if the disposal has been declared to LHDNM or '2' ('No') if not. If not yet declared, contact the LHDNM branch which handles the income tax file of the disposer. Further details are available from the LHDNM Official Portal, https://www.hasil.gov.my .

PART G:		INCOME OF PRECEDING YEARS NOT DECLARED
G1 – G3	Enter the amount of income received in respect of any earlier year not previously declared. Example: Income from interest for the year 2020 received only in 2021. Please use attachment in case of insufficient writing space.	
PART H:		PARTICULARS OF BUSINESS INCOME
H1	Summary of business and partnership losses subjected to restriction under subsection 44(5F) of the Income Tax Act 1967	<p>This section provides the space for reporting losses of the current year of assessment and prior years of assessment</p> <ul style="list-style-type: none"> • Losses Of Current Year Of Assessment Current year of assessment business and partnership losses absorbed in the current year of assessment and the balance of losses carried forward for deduction in the following year of assessment. • Losses Of Prior Years Of Assessment * Reporting of prior years losses absorbed in the current year shall be made according to the year of assessment which loss is first incurred with regard to the following information: <ul style="list-style-type: none"> • Unabsorbed losses at the beginning of the current year of assessment; and • Losses absorbed / disregarded in the current year of assessment and balance of losses carried forward to be disregarded / absorbed in the following year of assessment. <p>* Note: With effect from the Year of Assessment 2019, unabsorbed current year losses are only allowed for carrying forward to be absorbed for a maximum period of up to ten (10) consecutive years [Subsection 44(5F)].</p> <p><u>Special provision relating to sections 43 and 44</u></p> <p>This special provision allows the carrying forward of unabsorbed losses in the Year of Assessment 2018 to be absorbed up to a maximum of 10 years commencing from the Year of Assessment 2019.</p>
H2	Schedule 7A Reinvestment Allowance	<p>This section provides the space for reporting Schedule 7A Reinvestment Allowance in the qualifying period and preceding the qualifying period</p> <ul style="list-style-type: none"> • Schedule 7A Allowance During The Qualifying Period Allowance withdrawn / absorbed in the current year of assessment and the balance of allowance carried forward to the following year of assessment. • Schedule 7A Allowance After The Qualifying Period* <ul style="list-style-type: none"> ○ Allowance cannot be carried forward and allowance disregarded / absorbed until the year of assessment preceding the current year of assessment. ○ Allowance cannot be carried forward and allowance disregarded / absorbed in the current year of assessment. <p>* Note: With effect from the Year of Assessment 2019, unabsorbed allowances under Schedule 7A shall only be allowed for carrying forward to be absorbed up to a maximum of seven (7) consecutive years of assessment, commencing immediately after the expiry of the Schedule 7A claim qualifying period.</p>

		<p><u>Special provisions of Paragraph 4B, Schedule 7A.</u></p> <p>This special provision allows the unabsorbed Schedule 7A for the Year of Assessment 2018 to be carried forward for a maximum period of 7 years commencing from the Year of Assessment 2019 although the Schedule 7A qualifying period has expired.</p>
H3a	Capital allowances	Claim for capital allowances in the computation of statutory income from business and partnership.
– H3f	Allowance absorbed	Capital allowance absorbed in the current year. Amount K5 from Working Sheet HK-1 / amount H4 from Working Sheet HK-1B / amount N5 from Working Sheet HK-1D.
	Balance carried forward	Amount K6 from Working Sheet HK-1 / amount H5 from Working Sheet HK-1B / amount N6 from Working Sheet HK-1D.

H4 PARTICULARS OF WITHHOLDING TAXES

Enter '1' in the box for 'Yes' if the company made payments in the basis period which are subject to withholding tax under sections 107A, 109, 109A, 109B and 109F. Enter '2' in the box for 'No' if not relevant Working Sheet HK-11 can be used as a guide for record-keeping.

Section 107A

Payment to non-resident contractors for services under a contract during the basis period. Withholding tax rate according to ITA 1967:

10 % of gross amount on account of tax which is or may be payable by that contractor [Paragraph 107A(1)(a)]

Plus

3% of gross amount on account of tax which is or may be payable by the employees of that contractor.

[Paragraph 107A(1)(b)]

Section 109

Payment of interest or royalties to non-resident persons during the basis period. Withholding tax rate according to Part II Schedule 1 of ITA 1967:

Interest - 15% on the gross amount Royalties - 10% on the gross amount except if a different rate is stipulated in the Avoidance of Double Taxation Agreement (Refer to Appendix F).

Section 109A

Payment in respect of services performed / rendered in Malaysia by public entertainers during the basis period. Withholding tax rate is 15% of gross (Part II Schedule 1 of ITA 1967).

Section 109B

Payment of kind classified under section 4A of ITA 1967 to non-resident persons during the basis period. The withholding tax rate stipulated in Part V Schedule 1 of ITA 1967 is 10% on the gross amount except if a different rate is stipulated in the Avoidance of Double Taxation Agreement (Refer to Appendix F).

Section 109F

Payment to non-resident persons during the basis period in relation gains or profits falling under paragraph 4(f) of ITA 1967 which is derived from Malaysia. Withholding tax rate is 10% on the gross amount (Part XIII schedule 1 of ITA 1967).

TOTAL GROSS AMOUNT PAID

Total gross amount paid before any deduction.

TOTAL TAX WITHHELD AND REMITTED TO LHDNM

Regulations and procedures for payment set out by the Collection Branch must be complied.

BAHAGIAN J:		INCENTIVE CLAIM																								
J1	Claim for Special Deduction(s) / Further Deduction(s) / Double Deduction(s) / Incentive(s) under paragraph 127(3)(b) of Income Tax Act 1967	<p>Use the claim codes (Appendix D) which can be obtained from the LHDNM Official Portal:</p> <p>https://www.hasil.gov.my > Forms > Download Forms > Non-Company & Non-Individual > Computation Guide & Other Information.</p> <p>Incentive claims are divided into four (4) categories as follows:</p> <ol style="list-style-type: none"> Special deduction Further deduction Double deduction Incentive under paragraph 127(3)(b) of Income Tax Act 1967 <p>Select a code from the list of incentives provided for the above categories of claims, and enter the amount.</p> <p>For expenditure categorised as 'further deduction', the amount to be entered in this section is the amount of deduction claimed in addition to the original expenditure claimed in the accounts.</p> <p>Paragraph 127(3)(b) of ITA 1967</p> <p>Exemption given by the Minister of Finance to any class of persons from complying with any provision of the ITA 1967, either generally or in respect of any income.</p> <p>Computation of incentive and supporting documents should be kept for future reference / examination by LHDNM, if required.</p> <p>Example:</p> <p>Budiman Recreation Club runs a sports equipment business and claims the following incentives:</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Subject</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>225</td> <td>Deduction for employment of senior citizen, ex-convict, parolee, supervised person and ex-drug dependant</td> <td>12,000</td> </tr> <tr> <td>532</td> <td>Income in respect of qualifying expenditure for the purpose of obtaining a green building index certificate</td> <td>20,000</td> </tr> </tbody> </table> <p>Complete item J1 as follow:</p> <table border="1"> <thead> <tr> <th>Claim Code</th> <th>Balance Brought Forward</th> <th>Amount Claimed</th> <th>Amount Absorbed</th> <th>Balance Carried Forward</th> </tr> </thead> <tbody> <tr> <td>225</td> <td>0</td> <td>12,000</td> <td>12,000</td> <td>0</td> </tr> <tr> <td>532</td> <td>0</td> <td>20,000</td> <td>20,000</td> <td>0</td> </tr> </tbody> </table>	Code	Subject	Amount	225	Deduction for employment of senior citizen, ex-convict, parolee, supervised person and ex-drug dependant	12,000	532	Income in respect of qualifying expenditure for the purpose of obtaining a green building index certificate	20,000	Claim Code	Balance Brought Forward	Amount Claimed	Amount Absorbed	Balance Carried Forward	225	0	12,000	12,000	0	532	0	20,000	20,000	0
Code	Subject	Amount																								
225	Deduction for employment of senior citizen, ex-convict, parolee, supervised person and ex-drug dependant	12,000																								
532	Income in respect of qualifying expenditure for the purpose of obtaining a green building index certificate	20,000																								
Claim Code	Balance Brought Forward	Amount Claimed	Amount Absorbed	Balance Carried Forward																						
225	0	12,000	12,000	0																						
532	0	20,000	20,000	0																						
J2	Claim for incentive(s) under subsection 127(3A) of Income Tax Act 1967	<p>Subsection 127(3A) ACP 1967</p> <p>Exemption given by the Minister of Finance to any specific person from complying with any provision of the ITA 1967, either generally or in respect of any income.</p> <p>Enter the Serial Number of the Approval Letter issued by the Ministry of Finance and the amount.</p> <p>The Minister's Approval Letter, computation of incentive and supporting documents should be kept for future reference / examination by LHDNM, if required.</p> <p>Example:</p> <p>Enter the Serial Number of the Approval Letter issued by the Ministry of Finance and the tax exempt income amount.</p>																								

		Incentive Approval No.	Balance Brought Forward	Amount Claimed	Amount Absorbed	Balance Carried Forward
		CP1234/2019	0	45,000	45,000	0
PART K:		FINANCIAL PARTICULARS OF DECEASED PERSON'S ESTATE				
K1 – K51	Enter the particulars as per the Trading, Profit & Loss Account and Balance Sheet for the current year in the space provided.					
PART L:		PARTICULARS OF EXEMPT INCOME				
L1 – L6	This section is to be completed only if the deceased person's estate has tax exempt income for the current year.					
BAHAGIAN M:		NOTIFICATION OF REPORTING ENTITY (If A19=1)				
Notification as a reporting entity under Income Tax (Country-by-country reporting) Rules 2016 and amendment (2017). Enter the required information.						
M1	Name of MNE Group	Name of the MNE Group (if any). MNE Group means a collection of enterprises related through ownership or control such that it is required to prepare consolidated financial statements for financial reporting purposes under the applicable accounting principles or would be so required if equity interest in any of its enterprises were traded on a public securities exchange which includes— (a) two or more enterprises the tax residence for which is in different jurisdictions; or (b) an enterprise that is resident in Malaysia and is subject to tax with respect to the business carried out through a permanent establishment in another jurisdiction, or is resident in another jurisdiction and is subject to tax with respect to the business carried out through a permanent establishment in Malaysia.				
M2	Accounting period	Opening and closing date of the reporting entity's accounting period.				
M3	Number of constituent entities in Malaysia	Total number of constituent entities resident in Malaysia.				
M4	Number of constituent entities outside Malaysia	Total number of constituent entities resident outside Malaysia.				
BAHAGIAN N:		NOTIFICATION OF NON-REPORTING ENTITY (If A19=2)				
Notification as a non-reporting entity under Income Tax (Country-by-country reporting) Rules 2016 and amendment 2017. Enter the required information.						
N1	Name of reporting entity	Name of reporting entity				
N2	Income tax no.	Income tax number of reporting entity				
N3	Country of residence	Use the relevant country code provided on page 19 of this Explanatory Notes or Appendix E.				
N4	Accounting period of reporting entity	Opening and closing date of reporting entity accounting period				

N5	Name of MNE Group	Name of the MNE Group (if any). MNE Group means a collection of enterprises related through ownership or control such that it is required to prepare consolidated financial statements for financial reporting purposes under the applicable accounting principles or would be so required if equity interest in any of its enterprises were traded on a public securities exchange which includes— (a) two or more enterprises the tax residence for which is in different jurisdictions; or (b) an enterprise that is resident in Malaysia and is subject to tax with respect to the business carried out through a permanent establishment in another jurisdiction, or is resident in another jurisdiction and is subject to tax with respect to the business carried out through a permanent establishment in Malaysia.
N6	Status of reporting entity	Enter '1' if reporting entity is the ultimate holding entity. Enter '2' if reporting entity is the surrogate holding entity. If 2, complete item N7a and N7b
N7a	Name of ultimate holding entity	Name of ultimate holding entity
N7b	Country of residence	Use the relevant country code provided on page 19 of this Explanatory Notes or Appendix E.

DECLARATION BY THE ASSOCIATION'S CONTROLLING MEMBER

This section should only be completed by one of the controlling members. However, every controlling member is responsible in respect of the association's tax matters.

If the return form is not duly signed, it shall be deemed incomplete and will not be processed and Notification of Incomplete Return Form will be issued to inform the association. The use of signature stamp is not allowed. Penalty will be imposed in case of late resubmission of the return form to LHDNM.

PARTICULARS OF TAX AGENT WHO COMPLETES THIS RETURN FORM

- Tax Agent's Approval No. is the approval number given to tax agent's approved under subsection 153(3) of ITA 1967.
- This section has to be filled in and duly signed by the tax agent who completes this return form.

TAX SCHEDULE FOR THE YEAR OF ASSESSMENT 2021

CATEGORY	RANGE OF CHARGEABLE INCOME (a)	COMPUTATION RM (b)	RATE % (c)	TAX RM (d)
A	0 - 5,000	First 5,000	0	0
B	5,001 - 20,000	First 5,000 Next 15,000	1	0 150
C	20,001 - 35,000	First 20,000 Next 15,000	3	150 450
D	35,001 - 50,000	First 35,000 Next 15,000	8	600 1,200
E	50,001 - 70,000	First 50,000 Next 20,000	13	1,800 2,600
F	70,001 - 100,000	First 70,000 Next 30,000	21	4,400 6,300
G	100,001 - 250,000	First 100,000 Next 150,000	24	10,700 36,000
H	250,001 - 400,000	First 250,000 Next 150,000	24.5	46,700 36,750
I	400,001 - 600,000	First 400,000 Next 200,000	25	83,450 50,000
J	600,001 - 1,000,000	First 600,000 Next 400,000	26	133,450 104,000
K	1,000,001 - 2,000,000	First 1,000,000 Next 1,000,000	28	237,450 280,000
L	Exceeding 2,000,000	First 2,000,000 For every next ringgit	30	517,450

COUNTRY CODES

The following are some of the country codes for selection. Please refer to Appendix E for the full list if country not listed below.

Negara	Negara	Negara	Negara	Negara	Negara
Australia	AU	Iran (Islamic R.O.)	IR	Philippines	PH
Bangladesh	BD	Iraq	IQ	Saudi Arabia	SA
Brunei	BN	Japan	JP	Singapore	SG
Cambodia	KH	Korea, D.P.R.	KP	South Africa	ZA
Canada	CA	Korea, R.O.	KR	Sri Lanka	LK
China	CN	Laos, D.P.R.	LA	Taiwan	TW
Denmark	DK	Malaysia	MY	Thailand	TH
Hong Kong	HK	Myanmar	MM	United Kingdom	GB
India	IN	New Zealand	NZ	United States	US
Indonesia	ID	Pakistan	PK	Vietnam	VN

Nota: R.O. = Republic of;

D.P.R. = Democratic People's Republic of