

Knowledge Workers must obtain approval from Minister

Lembaga Hasil Dalam Negeri Malaysia (LHDNM) would like to advise taxpayers who wish to claim the 15 percent tax rate as Knowledge Worker in their Income Tax Return Form to first obtain approval from the Minister of Finance.

The Budget 2010 proposed that a flat rate of 15 percent tax on chargeable income from employment in a designated company in Iskandar Malaysia be given to an **approved knowledge worker** beginning year of assessment 2010.

LHDNM would also like to clarify that a Knowledge Worker will benefit from the 15 percent flat rate if his annual chargeable income is more than 106,200 ringgit Malaysia. Chargeable income below 106,200 ringgit will benefit by using the normal individual schedular tax rate which is lower.

To be eligible for this incentive, a knowledge worker must:

1. Apply and commence employment with a designated company in Iskandar Malaysia between 24 October 2009 and 31 December 2015;
2. Reside in Iskandar Malaysia for the respective year of assessment;
3. Make an application to the Minister of Finance via Iskandar Region Development Authority (IRDA) for approval as Knowledge Worker in Iskandar Malaysia;
4. Obtain approval from Minister of Finance on that application; and
5. Meet all conditions stipulated in Income Tax Rules 2010 (Determination of Knowledge worker, Qualified Activity and Specified Region) also known as P.U.(A) 344/2010.

Further clarification may be obtained from the official website of IRDA
<http://iskandarmalaysia.com.my>.

IRDA can also be contacted as follows:

Kuala Lumpur number (office hours only): 03-2260 6777

Email: enquiries@irda.com.my

Postal address:

Iskandar Service Center

Iskandar Regional Development Authority (IRDA)

#G-01 Block 8 Danga Bay

Jalan Skudai

80200 Johor Bahru

Or

Suite 5-3 5 Floor Block 3B

Plaza Sentral

50450 Kuala Lumpur

Please get in touch with our call Centre at **1-300-88-3010** or by e-mailing
callcentre@hasil.gov.my for more details.

SEKIAN, TERIMA KASIH

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