

**IN THE COURT OF APPEAL OF MALAYSIA IN PUTRAJAYA
(APPELLATE JURISDICTION)
CIVIL APPEAL NO: J-01-211-10**

BETWEEN

KETUA PENGARAH HASIL DALAM NEGERI

... APPELLANT

AND

LAI KENG CHONG &

... RESPONDENT

KONG CHEE LEONG

Revenue Law – Best Judgment - subsection 91(1) – Income Tax Act 1967

Issue : Whether the gross profit ratio of 22% applied by the Revenue in raising the additional assessments in the case where the tax payer failed to keep and retain proper records was correct and reasonable.

Decision: The Court of Appeal allowed the Revenue's appeal. The decision of the High Court is set aside and the order by the Special Commissioners is to be restored.

Based on the facts of the case the gross profit ratio of 22% is a fair and proper estimate by the Revenue.

Status: No grounds of judgment are provided by the Court of Appeal. No right of further appeal.

Date of Judgment : 30 January 2012