

FREQUENTLY ASKED QUESTIONS (FAQ)

DEFERMENT OF PAYMENT OF ESTIMATED TAX PAYABLE (CP204) AND INSTALMENT SCHEME (CP500) FROM 1 APRIL 2021 TO 31 DECEMBER 2021 UNDER 'PROGRAM STRATEGIK MEMPERKASA RAKYAT DAN EKONOMI' (PEMERKASA)

(updated on 28th of June 2021)

No.	Question	Answer
1	Is CP204 deferment of payment eligible for all basis periods or limited to the basis period ending 31 December 2021 only?	Deferment of payment of CP204 is eligible for all basis periods if the taxpayer still has the instalment payment within the allowable deferment period of 1 April 2021 to 31 December 2021.
2	Who is eligible for the deferment of payment of CP204 or CP500 from 1 April 2021 to 31 December 2021 under PEMERKASA?	Taxpayers who conduct business activities under the tourism, cinema and spa industries.

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Which business codes are eligible for CP204 or CP500 deferment of payments?

The eligible business codes are as follows:

No.	Business Code	Activity
1.	51101	Transportation of passengers by air through regular routes and schedules
2.	51102	Unscheduled passenger transportation
3.	51103	Rental of transport equipment with operators for the purpose of passenger transport
4.	55101	Hotel and resort hotel
5.	55102	Motel
6.	55103	Apartment Hotel
7.	55104	Chalet
8.	55105	Rest House / Guest House
9.	55106	Bed and breakfast unit
10.	55107	Hostel
11.	55108	Homestay
12.	55109	Other short -term accommodation activities
13.	55200	Campground, recreational vehicle park and trailer park
14.	55900	Other accommodation
15.	50111	Group, cruise or cruise boat operations
16.	50112	Ferry operations, water taxis
17.	50113	Leisure boat rentals with crew for sea and coastal transport
18.	79110	Travel agency activities
19.	79120	Activities of tour operators
20.	79900	Other booking services and related activities
21.	59140	Movie screening activities
22.	96091	Sauna activities, steam baths, massage parlors

4	Are taxpayers under the tourism, cinema and spa industries still eligible for CP204 or CP500 deferment if they have business activities other than those industries?	Yes. The taxpayers under the tourism, cinema and spa industries are still eligible for CP204 and CP500 deferment if they have business activities other than those industries.
5	Do taxpayers under the tourism, cinema and spa industries have to apply for deferment?	No. Deferment of payment of CP204 and CP500 will be given automatically to all eligible taxpayers based on the Inland Revenue Board of Malaysia (IRBM)'s records.
6	How is the eligibility for deferment of CP204 or CP500 instalment payments determined?	The eligibility for deferment is determined based on the taxpayer's Business Code as stated in the latest Income Tax Return Form received by IRBM.
7	Do taxpayers who are eligible for CP204 or CP500 deferred payment have to settle the deferred payment all at once after the deferment period ends?	No. The payment must be paid upon the submission of Income Tax Return Form for the relevant year of assessment if there is still a tax balance.
8	Will the increase under subsections 107B(3) or 107C(9) of the Income Tax Act 1967 (ITA) be imposed on taxpayers who receive deferred payment of CP204 or CP500?	The increase under subsections 107B(3) and 107C(9) of ITA will not be imposed during the deferment period.
9	Can CP204 or CP500 payments that have been settled during the deferral period be carried forward to settle the instalments after the expiry of the deferment period?	If the eligible taxpayer has settled the payment within the deferment period, the payment is not allowed to be carried forward to the month after the expiry of the deferment period or the next year of assessment.

10	Can the eligible taxpayer choose to decline these CP204 or CP500 payment deferment and proceed with the payment as per the original instalment payment schedule? If yes, does the taxpayer need to inform the IRBM?	Yes. Taxpayers can decline and continue the payment of CP204 or CP500 based on the original payment schedule without having to inform IRBM.
11	Will IRBM issue a notification to taxpayers who are eligible for the CP204 and CP500 deferred payment?	Yes. IRBM will inform the eligible taxpayers of deferred payment of CP204 and CP500 via e-mail registered with IRBM soon. If the taxpayer is eligible for deferment based on the eligible code as in Answer No. 3 above but has not yet received the email, the taxpayer is not required to make payment for the instalments effective April 1, 2021 to December 31, 2021.
12	Can a taxpayer appeal if he is found eligible for a deferment of payment of CP204 and CP500 based on the current status of the taxpayer?	Yes. Taxpayers can appeal via email to the following addresses by category type: cp204pemerakasa@hasil.gov.my ; or cp500pemerakasa@hasil.gov.my
13	Can a taxpayer who is eligible for deferment, file an amendment to CP204 in the 6th or / and the 9th month of the basis period that falls within the deferment period or make an amendment to CP500 before 30 June 2021?	Yes. Taxpayers can file amendments to CP204 in the 6th or / and the 9th month of the basis period that falls within the deferment period or make amendments to CP500 before 30 June 2021.
14	Can a taxpayer under the business code other than stated in answer No.3 can appeal for deferment of CP204 payment for April 2021 to December 2021?	Taxpayers for business codes other than those stated in answer No.3 whose business is affected can submit an appeal application for deferment of CP204 payment to IRBM supported by relevant documents. Appeal applications can be submitted by email to cp204pemerakasa@hasil.gov.my . Applications will be considered based on the merits of the case.

15	Can a taxpayer for the business code other than stated in answer No.3 can appeal for deferment of CP500 payment for May, July, September and November 2021?	Taxpayers for business codes other than those stated in answer No.3 whose business is affected can submit an appeal application for deferment of CP500 payment together with supporting documents to IRBM branch that handles the file or may e-mail to cp500pemerksa@hasil.gov.my . Applications will be considered based on the merits of the case.
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SCENARIOS OF IMPLEMENTATION OF DEFERMENT OF PAYMENT OF ESTIMATED TAX PAYABLE (CP204) AND INSTALMENT SCHEME (CP500) FROM 1 APRIL 2021 TO 31 DECEMBER 2021 UNDER 'PROGRAM STRATEGIK MEMPERKASA RAKYAT DAN EKONOMI' (PEMERKASA)

Scenario 1

Company A carries out the activities of a tour operator.

Accounting period	01/10/2020 – 30/09/2021
Basis period	01/10/2020 – 30/09/2021
The original CP204 amount that has been submitted to IRBM	RM120,000.00
Eligible for deferment of payment of CP204	April 2021 – December 2021
Tax Payable	RM150,000.00

Instalment No.	Payment Deadline	Tax Estimated Amount (RM)	Amount Paid (RM)	Remark
1	15/11/2020	10,000.00	10,000.00	Paid
2	15/12/2020	10,000.00	10,000.00	Paid
3	15/01/2021	10,000.00	10,000.00	Paid
4	15/02/2021	10,000.00	10,000.00	Paid
5	15/03/2021	10,000.00	10,000.00	Paid
6	15/04/2021	10,000.00	-	• Eligible for Deferment of Instalment Payment for the period of April - December 2021; and
7	15/05/2021	10,000.00	-	
8	15/06/2021	10,000.00	-	
9	15/07/2021	10,000.00	-	
10	15/08/2021	10,000.00	-	
11	15/09/2021	10,000.00	-	• Exempted from tax increase under subsection 107C (9) of the ITA
12	15/10/2021	10,000.00	-	
		120,000.00	50,000.00	

- ✓ Calculation of tax increase under subsection 107C (10) of ITA (if any) is based on the original estimated tax amount of RM120,000.00 if no amendment is made in the 6th and / or 9th month of the basis period.
- ✓ The balance of tax payable on the date of submission of Income Tax Return Form for Year Assessment 2021 is RM150,000.00 - RM50,000.00 = RM100,000.00. The tax increase under section 103 of ITA will be imposed if the taxpayer is late in settling the balance of the tax.

Scenario 2

WZ Company conducts group, cruise or cruise boat operating activities.

Accounting period	01/01/2021 – 31/12/2021
Basis period	01/01/2021 – 31/12/2021
The original CP204 amount that has been submitted to IRBM	RM240,000.00
Eligible for deferment of payment of CP204	April 2021 – December 2021
Tax Payable	RM250,000.00

Instalment No.	Payment Deadline	Tax Estimated Amount (RM)	Amount Paid / to be paid (RM)	Remark
1	15/02/2021	20,000.00	20,000.00	Paid
2	15/03/2021	20,000.00	20,000.00	Paid
3	15/04/2021	20,000.00	-	• Eligible for Deferment of Installment Payment for the period April - December 2021; and
4	15/05/2021	20,000.00	-	
5	15/06/2021	20,000.00	-	
6	15/07/2021	20,000.00	-	
7	15/08/2021	20,000.00	-	
8	15/09/2021	20,000.00	-	
9	15/10/2021	20,000.00	-	
10	15/11/2021	20,000.00	-	
11	15/12/2021	20,000.00	-	
12	15/01/2022	20,000.00	20,000.00	To be paid. Eligible for the imposition of an increase in subsection 107C (9) of ITA if failed/late payment
		240,000.00	60,000.00	

- ✓ Calculation of tax increase under subsection 107C (10) of ITA (if any) is based on the original estimated tax amount of RM240,000.00 if no amendment is made in the 6th and / or 9th month of the basis period.
- ✓ The balance of tax payable on the date of submission of Income Tax Return Form for Year Assessment 2021 is RM250,000.00 - RM60,000.00 = RM190,000.00. The tax increase under section 103 of ITA will be imposed if the taxpayer is late in settling the balance of the tax.

Scenario 3

Taxpayer B runs a spa business and is subject to CP500.

Year Assessment 2021

Original CP500 : RM30,000.00
Tax Payable (BNCP) : RM20,000.00

Instalment No.	Payment Deadline	Tax Estimated Amount (RM)	Amount Paid / to be paid (RM)	Remark
1	30/03/2021	5,000.00	5,000.00	Paid
2	30/05/2021	5,000.00	-	• Eligible for Deferment of Instalment Payment; and • Exempted from tax increase under subsection 107B (3) of ITA
3	30/07/2021	5,000.00	-	
4	30/09/2021	5,000.00	-	
5	30/11/2021	5,000.00	-	
6	30/01/2022	5,000.00	5,000.00	To be paid. Eligible for the imposition of an increase in subsection 107B (3) of ITA if failed/late payment
Amount		30,000.00	10,000.00	

- ✓ Taxpayers do not have to pay the CP500 instalment amount during the deferment period of 1 April 2021 to 31 December 2021.
- ✓ The total instalment amount of CP500 remains the same as the original schedule of RM30,000.00. Any application for amendment of the schedule amount is before 30 June 2021.
- ✓ Calculation of tax increase under subsection 107B (4) of ITA is based on the original or amended CP500 amount (if any).
- ✓ The balance of tax payable on 30 June 2022 is RM20,000.00 – RM10,000.00 = RM10,000.00. The tax increase under section 103 of ITA will be imposed if the taxpayer is late in settling the balance of the tax.