

**Akta Cukai Pendapatan 1967
(Akta 53)
Pindaan Sehingga Akta 755 Tahun 2013**

Tarikh Keluaran :
Title : Income Tax Act
Part : PART X - SUPPLEMENTAL
Chapter : Chapter 3 - Miscellaneous
Section : Schedule 6. Exemption From Tax

SCHEDULE 6
(Section 127)

Exemption From Tax

PART I

INCOME WHICH IS EXEMPT

1. The official emoluments of a Ruler or Ruling Chief as defined in section 76.

1A. The official emoluments of the Consort of a Ruler of a State having the title of Raja Perempuan, Sultanah, Tengku Ampuan, Raja Permaisuri, Tengku Permaisuri or Permaisuri.

History

Paragraph 1A amended by Act 591 of 1998 s11(a), by substituting for the words "Raja Permaisuri or Tengku Ampuan" the words "Tengku Ampuan, Raja Permaisuri, Tengku Permaisuri, or Permaisuri", shall have effect for the year of assessment 1999 and subsequent years of assessment.

Provided that where there are to or more consorts of a Ruler of a State having the above titles, the exemption shall be given only to the one recognized to be the official Consort.

1B. The official income of a former Ruler or Ruling Chief as defined in section 76 (excluding a former Governor or Yang di-Pertua Negara of a State) or a Consort of a former Ruler of a State previously having the title of Raja

[Am.Act 241;
Act 264;
P.U. (a) 161/81;
Act 274;
Act 293;
Act 309;
Act 323;
Act 328;
Act 364;
Act 451;
Act 476;
Act 497;
Act 591; Act 683, Act 693; Act 1349; Act 702]

24/66.
53/57.
34/67.

Perempuan, Sultanah, Tengku Ampuan, Raja Permaisuri, Tengku Permaisuri or Permaisuri.
History

Paragraph 1B amended by Act 591 of 1998 s11(a), by substituting for the words "Raja Permaisuri or Tengku Ampuan" the words "Tengku Ampuan, Raja Permaisuri, Tengku Permaisuri, or Permaisuri", shall have effect for the year of assessment 1999 and subsequent years of assessment.

2. The official emoluments received by any person in respect of the exercise by him of the functions of a State Authority in a temporary or acting capacity.

3. Any income which is exempt by virtue of the Diplomatic Privileges (Vienna Convention) Act, 1966, or by virtue of an order made under Part III of the Diplomatic and Consular Privileges Ordinance, 1957 or under the Foreign Representatives (Privileges and Immunities) Act, 1967.

4. The official emoluments of consular officers and consular employees (as defined in the Diplomatic and Consular Privileges Ordinance, 1957) in the service of a country to which Part IV of that Ordinance applies, to the extent provided by any consular convention between Malaysia and that country or, in the absence of a consular convention, to the extent that reciprocal treatment is accorded by that country to persons exercising corresponding functions in the service of Malaysia.

16/46.

1/50.
5/51.
47/52

5. The income of the Government or a State Government.

6. The income of a local authority.

7. Wound and disability pensions granted to persons in respect of-

(a) service in the armed forces of Malaysia or a Commonwealth country;

(b) service on and after Merdeka Day in the armed forces;

(c) service before Merdeka Day in the Malay Regiment, the Federation Regiment, the Johore Military Forces, any volunteer force or local defence corps within the meaning of the Volunteer Forces and Local Defence Corps (Demobilisation) Ordinance, 1946, or any force raised or established by or under the Malayan Auxiliary Air Force Ordinance, 1950, the Volunteer Force Ordinance, 1951, the Malayan Royal Naval Volunteer Reserve Ordinance, 1952, or the Military Forces Ordinance, 1952; or

(d) service in the Sarawak Volunteer Force or the Sarawak Rangers,

and pensions granted to wives or dependent relatives of members of any of those forces or local defence corps killed on war service.

8. Disability pensions granted in respect of war service injuries to members of civil defence organisations in any territory comprised in Malaysia on 1st January, 1968.

9. Sums payable out of moneys provided by Parliament by way of bounty to members of any of the following reserve forces, that is to say-

(a) Royal Malaysian Naval Volunteer Reserve;

(b) Malaysian Territorial Army;

(c) Royal Malaysian Air Force Volunteer Reserve.

10. The emoluments of any person who is a member of the armed forces of a Commonwealth country or in the service of the government of a Commonwealth country, if-

(a) he is in Malaysia for the purpose of performing his duties as a member of those forces or as a person in that service, as the case may be; and

(b) those emoluments are payable from the public funds of that country and subject to foreign tax of that country.

11. (Repealed by Act 328)

12. (1) The income of any co-operative society-

(a) in respect of a period of five years commencing from the date of registration of such co-operative society; and

(b) thereafter where the members' funds of such co-operative society as at the first day of the basis period for the year of assessment is less than seven hundred and fifty thousand ringgit.

History.

Subparagraph 12(1)(b) of Schedule 6 amended by Act 557 of 1997 s23(a), by substituting for the words "five hundred thousand ringgit" the words "seven hundred and fifty thousand ringgit", shall have effect for year of assessment 1997 and subsequent years of assessment.

(2) For the purposes of this paragraph "members' funds" means the aggregate of the paid up capital (in respect of shares and subscriptions and not including any amount in respect of bonus shares to the extent they were issued out of capital reserve created by revaluation of fixed assets) statutory reserve fund, reserves (other than any capital reserve which was created by revaluation of fixed assets and provisions for depreciation, renewals or replacements and diminution in value of assets), balance of share premium account (not including any amount credited therein at the instance of issuing bonus shares at premium out of capital reserve created by revaluation of fixed assets), and balance of profit and loss appropriation account.

12A. Any dividend paid, credited or distributed to any member by a co-operative society.

12B. Any dividend paid, credited or distributed to any person where the company paying such dividend is not entitled to deduct tax under this Act and any expenses incurred in relation to such dividend shall be disregarded for the purpose of this Act.

History

Paragraph 12B of Schedule 6 is inserted by Act 683 of 2007, s36(a), shall have effect for the year of assessment 2008 and subsequent years of assessment.

12C. Any profit paid, credited or distributed to partners by a limited liability partnership.

History

Paragraph 12C is inserted by Act 755 of 2013 para 37(a), comes into force on 26 December 2012.

13. The income, ~~other than dividend income,~~ of -

(a) an institution or organization approved for the purposes of section 44(6) so long as the approval remains in force; or

(b) a religious institution or organization which is not operated or conducted primarily for profit and which is established in Malaysia exclusively for the purposes of religious worship or the advancement of religion.

History.

Subparagraph 13(1) of Schedule 6 is amended by Act 683 of 2007, s 369b), by deleting the words ", other than dividend income," , comes into operation on 1 January 2014.

Paragraph 13 of Schedule 6 substituted by Act 608 of 2000 s26, with effect from year of assessment 2001.

Paragraph 13 of Schedule 6 formerly read: "13. (1) Subject to this paragraph, the income, other than dividend income, of -

- (a) a charitable institution, trust body of any trust or body of persons, if the institution, trust body or body of persons in question is established in Malaysia for charitable purposes only and approved by the Director General for the purposes of this paragraph;
- (b) a building fund approved under section

44(6) or a religious institution or organisation which is not operated or conducted primarily for profit and which is established in Malaysia exclusively for the purposes of religious worship or the advancement of religion.

(2) An institution, a trust body or body of persons referred to in subparagraph (1)(a) -

(a) shall apply for approval from the Director General; and

(b) shall apply its income, whether exempt or otherwise, solely for its charitable purposes or charitable objects within Malaysia and the amount so applied in a year of assessment shall not be less than seventy per cent (or such percentage as may be permitted by the Director General) of such income for the basis period for that year of assessment.

(3) Where a business is carried on by an institution, a trust body, body of persons or an organisation referred to in subparagraph (1) the income from the business shall be exempt from tax if -

(a) the business is carried on in the course of the actual carrying out of a primary purpose of the institution, trust body, body of persons or organisation; or

(b) the work in connection with the business is mainly carried on by persons for whose benefit the institution, trust body, body of persons or organisation was established."

Special provision relating to paragraph 13 Schedule 6

Notwithstanding any other provision of the principal Act, where a person is exempt by virtue of the exemption under paragraph 13 of Schedule 6 before the coming into operation of the amendment to that paragraph in section 26 of this Act, that exemption shall cease from the year of assessment 2003 for the basis period ending in that year:

Provided that such exemption shall continue, under paragraph 13 of Schedule 6 as amended in this Act, where approval is granted to such person

upon an application made under section 44(6) of the principal Act.

History.

Special provision relating to paragraph 13 Schedule 6 inserted by Act 608 of 2000 s27, with effect from year of assessment 2001.

14. Sums received by way of death gratuities or as consolidated compensation for death or injuries.

15. (1) A payment (other than a payment by a controlled company to a director of the company who is not a whole-time service director) made by an employer to an employee of his as compensation for loss of employment or in consideration of any covenant entered into by the employee restricting his right to take up other employment of the same or a similar kind-

(a) if the Director General is satisfied that the payment is made on account of loss of employment due to ill-health; or

(b) in the case of a payment made in connection with a period of employment with the same employer or with companies in the same group, in respect of so much of the payments as does not exceed an amount ascertained by multiplying the sum of ten thousand ringgit by the number of completed years of service with that employer or those companies:

Provided that this subsubparagraph shall apply to the payment made in respect of an individual who has ceased employment on or after 1 July 2008.

History

Subparagraph 15(1) of schedule 6 is substituted by Act 1349 of 2009, s7, deemed to have come into operation on 1 July 2008. The subparagraph previously read:

"(b) in the case of a payment made in connection with a period of employment with the same employer or with companies in the same group, in respect of so much of the payments as does not exceed an amount ascertained

by multiplying the sum of six thousand ringgit by the number of completed years of service with that employer or those companies."

Subsubparagraph 15(1)(b) amended by Act 624 of 2002 s.28(a), by substituting for the word "four" the word "six", shall have effect for the year of assessment 2003 and subsequent years of assessment.

(2) For the purposes of this paragraph the Director General may direct that a period of employment in a business with different employers where the control and management of that business substantially remains with the same person or persons or where the employment is with different employers whose businesses are conducted by or through a central agency shall be treated as a period of employment with the same employer.

(3) In this paragraph, "compensation for loss of employment" shall include any payment made by an employer to an employee of his pursuant to a separation scheme where employees are given an option for an early termination of an employment contract provided that such scheme from which payment was made does not expressly or impliedly provide for the employee to be reemployed under any other scheme of employment by the same or any other employer.

History

Schedule 6, Subparagraph 15(2), amended by Act 661 of 2006 s.32(a), by inserting after subparagraph (2) the subparagraph (3);, shall have effect for the year of assessment 2007 and subsequent years of assessment.

16. Pensions granted to any person under any written law relating to widows', widowers and orphans' pensions (or under any approved scheme within the meaning of any such law) and pensions paid under an approved scheme to or for the benefit of the widow, widower, child or children of a deceased contributor to the scheme.

History

Schedule 6 to the principal Act is amended in paragraph 16—

(a) by inserting after the word “widows” the word “, widowers’ ”; and

(b) by inserting after the word “widow,” the word “widower,”

comes into operation on 18 January 2011.

17. The income of a trade union registered under any written law relating to trade unions, in so far as the income does not consist of the gains or profits from a business carried on by the union.

History

Paragraph 17 of Schedule 6 is amended by Act 683 of 2007, s36(c), -

(i) by substituting for the colon a full stop; and

(ii) by deleting the proviso. The proviso previously read:

" Provided that the exemption under this paragraph shall not apply to income consisting of a dividend.", comes into operation on 1 January 2014.

18. Any income for the basis period for a year of assessment derived by a person who was not resident for the basis year for that year of assessment from trading in Malaysia through consignees in any commodity of the following kind, that is to say, rubber, copra, pepper, tin, tin ore, gambier, sago flour or cloves being a commodity produced outside Malaysia.

19. Interest paid or credited to any person in respect of any savings certificates issued by the Government.

20. The income of any approved scheme.

20A. Any income of a life insurer or takaful operator from an investment made out of a life fund or family fund in respect of a deferred annuity established in accordance with the Retirement savings standards approved by the central Bank of malaysia.

History

Paragraph 20A is inserted by Act 755 of 2013 para 37(b), has effect for the year of assessment 2012 and subsequent years of assessment.

21. Subject to paragraph 22, the income of an individual from an employment exercised by him while in Malaysia-

(a) for a period or periods which together do not exceed sixty days in the basis year for a year of assessment; or

(b) for a continuous period (not exceeding sixty days) which overlaps the basis years for two successive yearsof assessment; or

(c) for a continuous period (not exceeding sixty days) which overlaps the basic years for two successive years of assessment and for a period or periods which together with that continuous period do not exceed sixty days,

if he is not resident for that basis year or for each of those basis years, as the case may be.

History.

Schedule 6 paragraph 21 substituted by Act 451 of 1991 s28(a), shall have effect for the year of assessment 1991 and subsequent years of assessment. Schedule 6 paragraph 21 formerly read:

"21. Subject to paragraph 22, the income of an individual from an employment exercised by him while in Malaysia -

(a) in the basis year for a year of assessment, for a period or periods which together do not exceed sixty days; or

(b) in the respective basis years for two successive years

of assessment, for a continuous period (not exceeding sixty days) which overlaps those basis years; or

(c) in those basis years, for a continuous period (not exceeding sixty days) which overlaps those basis years and for a period or periods which together with that continuous period do not exceed sixty days,

if he is not resident for that basis year or for each of those basis years, as the case may be."

22. Paragraph 21 shall not apply to the income of an individual from an employment-

(a) if that individual has income derived from Malaysia from that employment for a period or periods amounting in all to more than sixty days in the basis year referred to in that paragraph or in the period consisting of the basis years so referred to; or

(b) if the income is income from an employment exercised by a public entertainer (that is to say, any professional entertainer, artiste, athlete or other individual who entertains whether in public or private for profit on stage, radio or television, at a stadium or sports ground, or otherwise) and no part of that income is paid out of the public funds of the government of a country outside Malaysia.

23. Education allowances paid to designated officers under the Overseas Service (North Borneo) Agreement, 1961, or the Overseas Service (Sarawak) Agreement, 1961.

24. Any sums paid by way or in the nature of a scholarship or other similar grant or allowance to an individual, whether or not in connection with an employment of that individual.

25. (1) Sums received by way of gratuity on retirement from an employment-

(a) if the Director General is satisfied that the retirement was due to ill-health; or

(b) if the retirement takes place on or after reaching the age of 55, or on reaching the compulsory age of retirement from employment specified under any written law and in either case from an employment which has lasted ten years with the same employer or with companies in the same group; or

(c) if the retirement takes place on reaching the compulsory age of retirement pursuant to a contract of employment or collective agreement at the age of 50 but before 55 and that employment has lasted for ten years with the same employer or with companies in the same group:

History

Subsubparagraph 25(1)(c) of Schedule 6 is amended by Act 683 of 2007, s 36(d)-

(i) by substituting for the colon a full stop; and

(ii) by deleting the proviso. The proviso previously read:

"Provided that the sum shall not exceed an amount ascertained by multiplying the sum of six thousand ringgit by the number of completed years of service in that employment.", shall have effect for the year of assessment 2007 and subsequent years of assessment.

(2) For the purposes of this paragraph the Director General may direct that a period of employment in a business with different employers where the control and management of that business substantially remains with the same person or persons or where the employment is with different employers whose businesses are conducted by or through a central agency shall be treated as a period of employment with the same employer.

25A. Sums received by way of gratuity or by way of payment in lieu of leave paid out of public funds on retirement from an employment under any written law.

History.

Schedule 6 paragraph 25A amended by Act 497 of 1993

s10(a), by inserting, after the word "gratuity", the words "or by way of payment in lieu of leave", shall have effect for the year of assessment 1993 and subsequent years of assessment.

25B. Sums received by way of gratuity paid out of public funds on termination of a contract of employment (less the employer's contribution to the Employees Provident Fund, if any, and interest thereon).

25C. Perquisite consisting of long service, past achievement, service excellence, innovation or productivity award, whether in money or otherwise, provided to an employee pursuant to his employment, limited to a maximum amount or value of two thousand ringgit for each employee for a year of assessment provided that exemption in respect of long service award shall apply only after the employee has exercised an employment for more than ten years with the same employer.

History.

Paragraph 25C of Schedule 6 is amended by Act 693 of 2009, s45(a)□

(i) by substituting for the words "or service excellence award" the words ",service excellence, innovation or productivity award"; and

(ii) by substituting for the words "one thousand ringgit" the words "two thousand ringgit",

comes into operation on 9 January 2009.

Schedule 6 paragraph 25 amended by Act 661 of 2006 s32(b), by inserting, after paragraph 25B the paragraph 25C, shall have effect for the year of assessment 2007 and subsequent years of assessment.

26. The income of-

(a) any national amateur sports organisation certified by the President and Secretary of the Olympic Council of Malaysia to be affiliated to that Council during the basis year for any year of assessment; and

(b) any State amateur sports organisation certified by the President (or corresponding officer) and Secretary of an organisation to which paragraph (a) applies to be affiliated to that organisation during the basis year for any year of assessment,

being in each case income for that year of assessment.

History

Paragraph 26 of Schedule 6 is amended by Act 683 of 2007-

(i) by substituting for the colon a full stop; and

(ii) by deleting the proviso. The proviso previously read:

" Provided that the exemption under this paragraph shall not apply to income consisting of a dividend.",

comes into operation on 1 January 2014.

27. Income of any person not resident in Malaysia for the basis year for a year of assessment in respect of interest derived from Malaysia on an approved loan.

28. (1) Income of any person, other than a resident company carrying on the business of banking, insurance or sea or air transport, for the basis year for a year of assessment derived from sources outside Malaysia and received in Malaysia.

History

Subparagraph 28(1) of Schedule 6 is amended by Act 693 of 2009, s 45(b), by substituting for the words "Without prejudice to the provisions of section 130, income of" the words "Income of", shall have effect for the year of assessment 2009 and subsequent years of assessment.

(2) Paragraphs 5 and 6 of Schedule 7A shall apply *mutatis mutandis* to the amount of income derived and received by a resident company exempted under

subparagraph (1).

29. Notwithstanding the provisions of section 44(6), the aggregate income of any person remaining after the reductions made pursuant to section 44(1)(a), (b) and (c) to the extent of the amount of any contribution made by him during the basis period for a year of assessment to the National Monument Restoration Fund established for the purpose of restoring the National Monument in Kuala Lumpur.

30. Pensions derived from Malaysia and paid to a person on reaching the age of 55, or on reaching the compulsory age of retirement from employment specified under any written law or if the Director General is satisfied that the retirement was due to ill-health-

(a) in respect of services rendered in exercising a former employment in Malaysia; and

History.

Schedule 6 subparagraph 30(a) amended by Act 451 of 1991 s28(b), by substituting for the word "or" the word "and", shall have effect for the year of assessment 1991 and subsequent years of assessment.

(b) where the pension is paid other than under any written law, from a pension or provident fund, scheme or society which is an approved scheme:

History.

Schedule 6 subparagraph 30(b) substituted by Act 451 of 1991 s28(c), shall have effect for the year of assessment 1991 and subsequent years of assessment.

Schedule 6 subparagraph 30(b) formerly read: "(b) under an approved scheme."

History

Paragraph 30 amended by Act 591 of 1998 s11(b), by

deleting the words "resident for the basis year for a year of assessment", shall have effect for the year of assessment 1999 and subsequent years of assessment. Paragraph 30 formerly read:

" 30. Pensions derived from Malaysia and paid to a person resident for the basis year for a year of assessment on reaching the age of 55, or on reaching the compulsory age of retirement from employment specified under any written law or if the Director General is satisfied that the retirement was due to ill-health-

(a) in respect of services rendered in exercising a former employment in Malaysia; and

(b) where the pension is paid other than under any written law, from a pension or provident fund, scheme or society which is an approved scheme.

Provided that where a person is paid more than one pension, this paragraph shall apply to the higher or the highest pension paid, as the case may be."

30A. Gratuity or pension derived from Malaysia and paid to a person under any written law applicable to the President or Deputy President of the Senate, Speaker or Deputy Speaker of the House of Representatives, Speaker of the State Legislative Assembly, member of the Senate, member of the house of representatives or member of the State Legislative Assembly:

Provided that-

(a) the exemption in respect of pension shall apply only when the person has attained to age of fifty-five or if the Director General is satisfied that such person ceased to be President, Deputy President, Speaker, Deputy Speaker or member due to ill-health; and

(b) where such person is eligible for exemption in respect of pension under this paragraph and also under paragraph 30 of this Schedule, exemption shall be applicable only to the higher or the highest pension

payable, as the case may be.

31. (Repealed by Act 323)

32. Income of ten thousand ringgit for the basis year for a year of assessment derived by an individual resident in Malaysia for that basis year from royalty or payment in respect of the publication of, or the use of or the right to use, any artistic work (other than any original painting), and from royalty in respect of recording discs or tapes.

History.

Schedule 6 paragraph 32 amended by Act 644 of 2005 s36(a), by substituting for the word "six" the word "ten", shall have effect for the year of assessment 2006 and subsequent years of assessment.

Schedule 6 paragraph 32 amended by Act 513 of 1994 s28(a), by inserting after the word "work" the parentheses and words "(other than any original painting)", shall have effect for the year of assessment 1994 and subsequent years of assessment.

Schedule 6 paragraph 32 amended by Act 476 of 1992 s19(a), by deleting the words "literary or" , shall have effect for the year of assessment 1992 and subsequent years of assessment.

Schedule 6 paragraph 32 formerly read:

" 32. Income of six thousand ringgit for the basis year for a year of assessment derived by an individual resident in Malaysia for that basis year from royalty or payment in respect of the publication of, or the use of or the right to use, any literary or artistic work, and from royalty in respect of recording discs or tapes."

32A. Income of twelve thousand ringgit for the basis year for a year of assessment, derived by an individual resident in Malaysia, being payment received in that year in respect of any translation of books or literary work at the specific request of any agency of the Ministry of Education or Ministry of Higher Education or the Attorney General's Chambers:

Provided that the exemption shall not apply where the payment arises to the individual as part of his emoluments in the exercise of his official duties.

History

Schedule 6 paragraph 32A amended by Act 661 of 2006 s32 (c) by inserting after the word "Education" the words "or Ministry of Higher Education"; shall have effect for the year of assessment 2007 and subsequent years of assessment.

History

Schedule 6 paragraph 32A amended by Act A 600 of 2000 s15 (a)(i) & (ii), by inserting after the word "assessment," the word "derived"; and by deleting the words "any musical composition or in respect of", shall have effect for the year of assessment 2000 in respect of the basis period ending in the year 2000 (current year basis) and subsequent years of assessment. Paragraph 32A formerly read: "32A. Income of twelve thousand ringgit for the basis year for a year of assessment, by an individual resident in Malaysia, being payment received in that year in respect of any musical composition or in respect of any translation of books or literary work at the specific request of any agency of the Ministry of Education or the Attorney General's Chambers:".

Schedule 6 paragraph 32A amended by Act 513 of 1994 s28(b)(i) , by substituting for the word "six" the word "twelve", shall have effect for the year of assessment 1994 and subsequent years of assessment.

Schedule 6 paragraph 32A amended by Act 513 of 1994 s28(b)(ii) , by inserting after the words "in respect of" the words "any musical composition or in respect of", shall have effect for the year of assessment 1994 and subsequent years of assessment.

Schedule 6 paragraph 32A amended by Act 476 of 1992 s19(b), by substituting for the word "three" the word "six", shall have effect for the year of assessment 1992 and subsequent years of assessment.

32B. Income of twenty thousand ringgit for the basis year for a year of assessment derived by an individual resident in Malaysia for that basis year from royalty (other than royalty in respect of recording discs or tapes) or payment in respect of the publication of, or the use of or the right to use, any literary work or any original painting.

History.

Schedule 6 paragraph 32B amended by Act 513 of 1994 s28(c)(i), by substituting for the word "twelve" the word "twenty", shall have effect for the year of assessment 1994 and subsequent years of assessment.

Schedule 6 paragraph 32B amended by Act 513 of 1994 s28(c)(ii), by inserting after the word "royalty" the parentheses and words "(other than royalty in respect of recording discs or tapes)", shall have effect for the year of assessment 1994 and subsequent years of assessment.

Schedule 6 paragraph 32B amended by Act 513 of 1994 s28(c)(iii), by inserting after the word "work" the words "or my original painting", shall have effect for the year of assessment 1994 and subsequent years of assessment.

Schedule 6 paragraph 32B inserted by Act 476 of 1992 s19(c), shall have effect for the year of assessment 1992 and subsequent years of assessment.

32C. Income of an individual resident in Malaysia in that basis year in respect of his performances in cultural performances approved by the Minister:

Provided that the exemption shall not apply where the payment arises to the individual as part of his emoluments in the exercise of his official duties.

History.

Paragraph 32C of Schedule 6 inserted by Act 557 of 1997 s23(b), shall have effect for year of assessment 1997 and subsequent years of assessment.

32D. Income of twenty thousand ringgit for the basis year for a year of assessment, derived by an individual resident in Malaysia, being payment in respect of any musical composition:

Provided that the exemption shall not apply where the payment arises to the individual as part of his emoluments in the exercise of his official duties.

History

Paragraph 32D inserted by Act A 600 of 2000 s15 (b), shall have effect for the year of assessment 2000 in respect of the basis period ending in the year 2000 (current year basis) and subsequent years of assessment.

33. Income of any person not resident in Malaysia for the basis year for a year of assessment, in respect of interest derived from Malaysia (other than such interest accruing to a place of business in Malaysia of such person) and paid or credited by any person (whether the same person or not) carrying on the business of banking or finance in Malaysia and licensed under the Banking and Financial Institutions Act 1989 or the Islamic Banking Act 1983, or by any other institution approved by the Minister:

Provided that the exemption under this paragraph shall not apply to interest paid or credited on funds required for purposes of maintaining net working funds as prescribed by the Central Bank of Malaysia pursuant to Section 37 of the Banking and Financial Institutions Act 1989 and subsection 5(2) of the Islamic Banking Act 1983, as the case may be.

History.

Schedule 6 paragraph 33 is substituted by Act 661 of 2006 s32(d), shall have effect for the year of assessment 2007 and subsequent years of assessment. Paragraph 33 formerly read:

" 33. Income of any person not resident in Malaysia for the basis year for a year of assessment, in respect of interest derived from Malaysia (other than such interest accruing to a place of business

in Malaysia of such person) and paid or credited by any person (whether the same person or not) carrying on the business of banking or finance in Malaysia and licensed under the Banking and Finance Institutions Act 1989:

Provided that the exemption under this paragraph shall not apply to interest paid or credited on funds required for the purposes of maintaining net working funds as prescribed by the Central Bank of Malaysia in pursuance of section 37 of the Banking and Finance Institutions Act 1989."

Schedule 6 paragraph 33 amended by Act 544 of 1996 s16(a), by inserting after the word "banking" the words "or finance", shall have effect for the year of assessment 1996 and subsequent years of assessment.

Schedule 6 paragraph 33 amended by Act 451 of 1991 s28(d), by substituting for the words "Banking Act 1973" the words "Banking and Financial Institutions Act 1989", shall be deemed to have come into force on the 1st October 1989. Proviso to Schedule 6 paragraph 33 amended by Act 451 of 1991 s28(e), by substituting for the words "section 14 of the Banking Act 1973" the words "section 37 of the Banking and Financial Institutions Act 1989", shall be deemed to have come into force on the 1st October 1989.

33A. Interest paid or credited to any company not resident in Malaysia, other than such interest accruing to a place of business in Malaysia of such company-

(a) in respect of securities issued by the Government; or

(b) in respect of Islamic securities or debenture issued in Ringgit Malaysia, other than convertible loan stock, approved by the Securities Commission.

33B. Interest paid or credited to any person in respect of Islamic securities originating from Malaysia, other than convertible loan stock-

(a) issued in any currency other than Ringgit; and

(b) approved by the Securities Commission or the Labuan Offshore Financial Services Authority.

History

Subparagraph 33B(b) is amended by Act 702 of 2010, s 15(a), by inserting after the words "Securities Commission" the words "or the Labuan Offshore Financial Services Authority", shall have effect for the year of assessment 2010 and subsequent years of assessment.

History

Paragraph 33B of Schedule 6 is inserted by Act 683 of 2007, s36(f), shall have effect for the year of assessment 2008 and subsequent years of assessment.

34. (1) Income of an individual derived from exercising an employment on board a ship used in a business operated by a person being a registered owner of a ship under the Merchant Shipping Ordinance 1952 who is resident in Malaysia.

(2) For the purpose of this paragraph "ship" means a sea-going ship other than a ferry, barge, tug-boat, supply vessel, crew boat, lighter, dredger, fishing boat or other similar vessel.

History

Paragraph 34 substituted by Act 661 of 2006 s32(e), shall have effect for the year of assessment 2007 and subsequent years of assessment.
Paragraph 34 formerly read:

"34. (1) Income of an individual derived from exercising an employment on board a Malaysian ship.

(2) For the purposes of sub paragraph (1), " Malaysian ship" has the same meaning as in section 54A(6)."

Paragraph 34 substituted by Act 591 of 1998 s11(c), shall have effect for the year of assessment 1999 and subsequent years of assessment.

Paragraph 34 formerly read:
" 34. Income of any person derived from exercising an employment on board a Malaysian ship as defined in this Act."

35. Interest or discount paid or credited to any individual unit trust and listed closed-end fund -

(a) in respect of securities or bonds issued or guaranteed by the Government; or

History.

Schedule 6 paragraph 35 amended by Act 644 of 2006 s36(b), by inserting after the word "Interest" the word "or discount", shall have effect for the year of assessment 2006 and subsequent years of assessment.

Paragraph 35 subparagraph (a) is amended by Act 624 of 2002 s.28(b)(i), by inserting after the word "issued" the words "or guaranteed", shall have effect for the year of assessment 2003 and subsequent years of assessment.

(b) in respect of debentures or Islamic Securities, other than convertible loan stock, approved by the Securities Commission; or
History.

Subparagraph 35(b) of Schedule 6 is amended by Act 702 of 2010, by inserting after the word "debentures" the words "or Islamic Securities", shall have effect for the year of assessment 2010 and subsequent years of assessment.

Paragraph 35 subparagraph (b) is substituted by Act 624 of 2002 s.28(b)(ii), shall have effect for the year of assessment 2003 and subsequent years of assessment. Subparagraph (b) formerly read:

"(b) in respect of bonds, other than convertible loan stock, issued by public companies listed on the Kuala Lumpur Stock Exchange; or"

Schedule 6 paragraph 35 amended by Act 497 of 1993

s10(b)(i), by substituting for the full stop at the end of subparagraph (b) the punctuation mark and word "; or", shall have effect for the year of assessment 1993 and subsequent years of assessment.

(c) *deleted by Act 624*

History.

Paragraph 35 subparagraph (c) is deleted by Act 624 of 2002 s.28(b)(iii), shall have effect for the year of assessment 2003 and subsequent years of assessment. Subparagraph (c) formerly read:

"(c) in respect of bonds, other than convertible loan stock, issued by a company rated by Rating Agency Malaysia Berhad or Malaysian Rating Corporation Berhad; or"

Subparagraph 35(c) of Schedule 6 amended by Act 557 of 1997 s23(c), by inserting the words "Rating Agency Malaysia Berhad" the words "or Malaysian Rating Corporation Berhad" , shall have effect for year of assessment 1997 and subsequent years of assessment.

Schedule 6 paragraph 35 amended by Act 513 of 1994 s28(d)(i), by substituting for the full stop at the end of subparagraph (c) the punctuation mark and word "; or", shall be deemed to have come into force on the 16th February 1993.

Schedule 6 subparagraph 35(c) inserted by Act 497 of 1993 s10(b)(ii), shall have effect for the year of assessment 1993 and subsequent years of assessment.

(d) in respect of Bon Simpanan Malaysia issued by the Central Bank of Malaysia.

History.

Schedule 6 subparagraph 35(d) inserted by Act 513 of 1994 s28(d)(ii), shall be deemed to have come into force on the 16th February 1993.

Schedule 6 paragraph 35 amended by Act 544 of 1996 s16(b), by inserting after the word "individual" the words

", unit trust and listed closed-end fund", shall have effect for the year of assessment 1996 and subsequent years of assessment.

Schedule 6 paragraph 35 substituted by Act 476 of 1992 s19(d), shall have effect for the year of assessment 1992 and subsequent years of assessment. Schedule 6 paragraph 35 formerly read: "35. Interest paid or credited to any individual in respect of securities or bonds issued by the Government."

35A. Income of a unit trust in respect of interest derived from Malaysia and paid or credited by any bank or financial institution licensed under the banking and Financial Institution Act 1989 or the Islamic Banking Act 1983.

History

Paragraph 35A inserted by Act 591 of 1998 s11(d), shall have effect for the year of assessment 1999 and subsequent years of assessment.

36. Sums received by way of annuities granted under annuity contracts issued by Malaysian life insurers.

For the purposes of this paragraph "Malaysian life insurers" means life insurers and takaful operators whose ownership or membership are held in majority by Malaysian citizens.

History.

Schedule 6 paragraph 36 amended by Act 544 of 1996 s16(c), shall have effect for the year of assessment 1996 and subsequent years of assessment by inserting after paragraph 36 the following paragraph: "For the purposes of this paragraph "Malaysian life insurers" means life insurers and takaful operators whose ownership or membership are held in majority by Malaysian citizens."

Schedule 6 paragraph 36 inserted by Act 531 of 1995 s21, shall have effect for the year of assessment 1995 and subsequent years of

assessment.

Provided that where a person is paid more than one pension, this paragraph shall apply to the higher or the highest pension paid, as the case may be.