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e-NEWSLETTER

HASIL



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Financial And Taxation Scams



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1. CERTIFICATE OF RESIDENCE

Certificate of Residence (COR) is issued to confirm the residence status of the taxpayer, enabling them to claim tax benefits under the Double Taxation Agreement (DTA) and to avoid double taxation on the same income. Hence, a COR is issued for these purposes only and is specifically for Malaysia's treaty partners only.

Application for COR can be made either manually or through e-Residence (<https://eresidence.hasil.gov.my/>).

The COR will be ready within 10 working days, provided that all of the required documents and information have been submitted.

Further information on COR can be obtained from the IRBM Official Portal at www.hasil.gov.my > International > Certificate of Resident.

2. PUBLIC RULING vs ADVANCE RULING

Public Ruling is issued for the purpose of providing guidance to the public and officers of the Inland Revenue Board of Malaysia. It highlights the interpretations of the Director General of Inland Revenue (DGIR), in respect of the particular tax laws, policies, and procedures that are to be applied.

An Advance Ruling, on the other hand, is a written statement by the DGIR to a person giving an interpretation on how any provision of the ITA applies to a proposed arrangement described in an application.

The issuance of an advance ruling aims to ensure clarity and certainty of tax treatments, as well as consistency in the implementation of the income tax laws. This, in turn, will help promote and increase compliance, as well as minimize the disputes between IRBM and the taxpayers.



3. e-SPC

e-SPC is an application system for obtaining the Tax Settlement Letter online. This system allows employers to submit Form CP22A / CP22B – Tax Clearance Form for the Cessation of Employment and Form CP21 - Notification of Employee's Departure from The Country.

e-SPC can be accessed through MyTax via <https://mytax.hasil.gov.my/>

4. CALCULATING THE MONTHLY TAX DEDUCTIONS

There are two (2) methods of calculating the monthly tax deductions (MTD), which can be used by the employers; firstly is the MTD Scheduler, while the second one is the Computerized Calculation System (e-PCB, e-Data PCB, e-CP39 and Kalkulator PCB). The following table contains basic calculation information for the 2 MTD methods :

Method	MTD Scheduler	Computerized Calculation System
Residence Status	Taken into account	Taken into account
Category of Employee	<ul style="list-style-type: none"> ● Single (K1) ● Married & spouse is not working (K2) ● Married & spouse is working (K3) 	<ul style="list-style-type: none"> ● Single (K1) ● Married & spouse is not working (K2) ● Married & spouse is working (K3)
Mandatory Deductions Taken Into Account	<ul style="list-style-type: none"> ● Self-Deduction ● Spouse (Husband / Wife) ● Child ● EPF 	<ul style="list-style-type: none"> ● Self-Deduction ● Spouse (Husband / Wife) ● Child ● EPF
Additional Deduction / Rebate	No	Can be included using Form TP1

Further information on the calculation of MTD can be obtained from the IRBM Official Portal at www.hasil.gov.my > Employer.