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**MIA WEBINAR SERIES**  
A Highly Interactive Learning Session with Live  
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MIA WEBINAR SERIES

# Business Tax Deductions

## An Accountant's Perspective with Highlights of Malaysian Tax Cases

*Inclusive of latest tax developments and updates on Budget 2023*

This course will provide companies and tax practitioners with practical guidance on the latest updates and developments relating to deductible business expenses. Grab this opportunity to learn, understand, apply and manage the various available tax planning strategies.

15 & 16 June 2023 (Thursday & Friday), 9.00 am – 5.00 pm



# Business Tax Deductions

## An Accountant's Perspective with Highlights of Malaysian Tax Cases *Inclusive of latest tax developments and updates on Budget 2023*

Significant portions of the cost of doing business can be itemised as deductions. It is therefore very important to understand the types of legitimate expenses that are available for tax deductions. It is extremely beneficial for companies to take advantage of the tax planning opportunities and maximise business deductions by exploring the various positions taken by the tax authorities and the courts.

Companies should take proper guidance by exploring and analysing the various issues concerning business deductions from the decided case laws. Tax law provisions are not very clear and reliance on judicial interpretations are necessary.

In recent times, 'tax deductibility' issues surface more often during tax audits. Therefore understanding the legitimate allowable business deductions and the need to maintain proper documentation support are critical for surviving tax audits.

### OBJECTIVES

By the end of the course, participants will be familiar with the:

- Latest updates and developments on "Tax Deductibility Issues" resulting from decided case laws.
- IRB's views and positions taken on various controversial tax deductions.
- Documentation requirements to support and justify business deductions.
- Common mistakes to be avoided during tax computation stage.

### METHODOLOGY

A highly interactive learning session with trainer/speaker-led facilitation, live Q&As, quick polls/surveys, self-assessment quizzes and participant's feedback on learning outcome achievement.

### WHO SHOULD ATTEND

- Tax Agents and Consultants
- Company Directors
- Auditors and Audit Professionals
- New Tax Executives, Assistants and Juniors
- Accountants and Accounts Executives
- Accounts staff involved in tax matters
- Professionals interested in acquiring basic tax knowledge

### SPEAKER/TRAINER

#### KRISHNAN KSM

Krishnan has over 37 years of experience in public practice, commerce and industry, working in various financial and non-financial disciplines in multi-national companies, including extensive overseas exposures. He is currently an Executive Director of an approved tax consulting firm providing corporate tax services for several clients.

His broad business experience covers corporate and international tax planning, tax review, tax audit and investigation and tax compliance cases. He has successfully developed effective tax planning strategies and remuneration packages for several corporate clients and has numerous research materials and case studies in which he shares with his seminar participants.

Krishnan is a seasoned speaker and has presented papers at numerous national and international conferences, seminars and workshops. Krishnan KSM, a Chartered Accountant by profession is an Associate member of CIMA-UK and a member of MIA. He is also a member of CTIM and holds an MBA in finance.

# Business Tax Deductions

## An Accountant's Perspective with Highlights of Malaysian Tax Cases Inclusive of latest tax developments and updates on Budget 2023

### PROGRAMME OUTLINE

#### DAY 1

8.30 am – 9.00 am	Participants login to join the webinar	1.00 pm – 3.00 pm	SESSION 3 Business Deductions (with tax cases illustrated) <ul style="list-style-type: none"> <li>• General provision for deductions: Sec. 33(1)</li> <li>• Principles governing deductions</li> <li>• Revenue vs Capital Expenditure: Controversial issues</li> <li>• Conditions of deductibility: IRBM's views and position</li> <li>• Correct classification of expenses to avoid non deductibility</li> <li>• Treatment of entertainment expenses (Sec. 18): Areas of concern</li> <li>• Prohibited deductions: Section 39(1) (an overview)</li> <li>• Specific deductions</li> <li>• Allowable pre-operational and pre-commencement of business expenses</li> <li>• Business cessation: Related expenses</li> <li>• Double deductions</li> <li>• Deductibility of business losses carry forward: An update on time limit</li> <li>• Tax treatment of interest expense</li> <li>• Interest Restriction: Section 33(2)–Key practical issues</li> <li>• Restriction of excessive interest between related parties (ESR): Sec. 140C</li> <li>• Related party transactions &amp; tax implications               <ul style="list-style-type: none"> <li>&gt; Interest free loans/Transfer Pricing issues</li> </ul> </li> <li>• Deduction of interest expense &amp; recognition of interest income for loan transactions between related persons: Public Ruling 9/2015</li> <li>• Group relief for companies (an update)</li> <li>• Deductibility of secretarial fees and tax filing fees: (an update with illustrative examples)</li> </ul>
9.00 am – 10.30 am	SESSION 1 Understanding the General Principles of Income Tax: An overview <ul style="list-style-type: none"> <li>• Basis and scope of Malaysian income tax</li> <li>• Income derivation: Malaysian source vs Foreign source               <ul style="list-style-type: none"> <li>&gt; Practical issues and decided case laws</li> <li>&gt; Taxability of foreign source income received in Malaysia: An update</li> </ul> </li> <li>• Ascertainment of taxable income: Factors to consider</li> <li>• Business income deemed derived from Malaysia</li> <li>• Tax residence of a company</li> <li>• Commencement of business</li> <li>• Tax strategies–guiding principles: How to put into practice?</li> <li>• Introduction of Global Minimum Tax (GMT) in Malaysia: An update</li> </ul>	3.00 pm – 5.00 pm	SESSION 4 Treatment of Capital Allowances (an overview with tax cases) <ul style="list-style-type: none"> <li>• Meaning and importance of capital allowances</li> <li>• Meaning of Plant and Machinery</li> <li>• Qualifying expenditure/Eligibility to claim capital allowances</li> <li>• Initial and annual allowances</li> <li>• Disposal of assets: Balancing allowances and charges</li> <li>• Assets classified as held for sale (HFS)</li> <li>• Dealing with hire purchase and leased assets</li> <li>• Accelerated capital allowances and small value assets</li> <li>• Control sales and transfers</li> <li>• Industrial building allowances: An overview with latest updates</li> <li>• LHDNM Practice Note No.2/2020: CA claim on development cost of customised software</li> <li>• Common mistakes in computing CA</li> <li>• Carry forward of unabsorbed capital allowances: Time limit</li> <li>• Claiming industrial building allowances               <ul style="list-style-type: none"> <li>&gt; Latest updates (PR 8/2016, 10/2016 &amp; 3/2018)</li> </ul> </li> </ul>
10.30 am – 12.00 pm	SESSION 2 Types of Income Subject to Tax <ul style="list-style-type: none"> <li>• Business income/non-business income</li> <li>• Income assessable Sections: 4a – 4f               <ul style="list-style-type: none"> <li>&gt; Withholding tax on income under Sec. 4(f)</li> </ul> </li> <li>• Special classes of income derived by non-residents: Sec. 4A</li> <li>• Interest income from placement of deposits (business or non-business source): Sec. 4B</li> <li>• Compensation receivable from compulsory acquisition of stock in trade: Sec 4C</li> <li>• Loans and Advances to directors: Sec 140B               <ul style="list-style-type: none"> <li>&gt; Taxability of interest income deemed derived: PR 8/2015</li> </ul> </li> <li>• Letting of real property: Business source or non-business source?</li> <li>• Badges of trade: Trigger points</li> <li>• Basis period to which gross income from a business is related               <ul style="list-style-type: none"> <li>&gt; Sec 24(1)(a), 24(1) (aa), 24(1)(b), 24(1)(c) &amp; 24(1A)</li> </ul> </li> </ul>	5.00 pm	End of Day 1
12.00 pm – 1.00 pm	Break		

NOTE: The order of topics to be covered may be revised at the trainer/speaker's discretion.

# Business Tax Deductions

## An Accountant's Perspective with Highlights of Malaysian Tax Cases Inclusive of latest tax developments and updates on Budget 2023

### PROGRAMME OUTLINE

#### DAY 2

8.30 am –9.00 am	Participants login to join the webinar	3.00 pm –5.00 pm	SESSION 4 <b>Highlights of Malaysian Tax Cases on Business Deductions</b> <ul style="list-style-type: none"> <li>• COSB v KPHDN (SCIT-2023)</li> <li>• KLSB v KPHDN (SCIT-2023)</li> <li>• SSB v KPHDN (SCIT-2023)</li> <li>• KPHDN v TNB (HC JR 2022)</li> <li>• KPHDN v Taman Equine (M) SB (COA-2022)</li> <li>• KPHDN v Cempaka Properties SB (COA-2021)</li> <li>• SHWGA SB v KPHDN (SCIT-2021)</li> <li>• Quality Concrete Holdings SB v KPHDN (COA-2020)</li> <li>• PM &amp; Anor v SCIT (SCIT-2020)</li> <li>• ZMN v KPHDN (SCIT-2020)</li> <li>• KISB v KPHDN (SCIT-2020)</li> <li>• PM v KPHDN (SCIT-2020)</li> <li>• EASB v KPHDN (HC-2020)</li> <li>• CPAM v KPHDN (SCIT-2020)</li> <li>• KPHDN v CIMB (HC-2019)</li> <li>• Tune Insurance Malaysia Bhd v KPHDN (HC-2019)</li> <li>• BAC SB v KPHDN (HC-2019)</li> <li>• Lavender Confectionery &amp; Bakery SB v KPHDN (HC-2018)</li> <li>• IQ SB v KPHDN (COA-2018)</li> <li>• KPHDN v Kompleks Tanjong Malim (HC-2018)</li> <li>• KPHDN v Alcatel Lucent Malaysia SB &amp; Anor (FC JR 2017)</li> <li>• Sentimas SB v KPHDN (HC-2017)</li> <li>• Sastep SB v KPHDN (HC-2017)</li> <li>• KPHDN v Thomson Reuters Global Services v KPHDN (COA-2016)</li> <li>• KPHDN v Marigold Industries (HC-2016)</li> <li>• Mercedes Benz Malaysia SB v KPHDN (COA-2014)</li> <li>• KPHDN v Teraju Sinar SB (COA-2014)</li> <li>• Sykt Pukin Ladang Kelapa Sawit SB v KPHDN (COA-2013)</li> <li>• RM v KPHDN (SCIT-2013)</li> <li>• KPHDN v Tropiland SB (COA-2012)</li> <li>• KPHDN v Societe Francaise De Cosmetique SB (COA-2012)</li> <li>• KPHDN v Cardinal Health SB (COA-2012)</li> <li>• Shaklee Products (M) SB v KPHDN (COA-2012)</li> <li>• NV Alliance Sdn Bhd v KPHDN (COA-2011)</li> <li>• ME v KPHDN (SCIT-2011)</li> <li>• KPHDN v Khind Mistral (Borneo) SB (HC-2011)</li> <li>• PK Resources SB v KPHDN (COA-2010)</li> <li>• MAAB v KPHDN (SCIT-2010)</li> <li>• EM SB v KPHDN (SCIT-2009)</li> <li>• MSDC v KPHDN (COA-2009)</li> <li>• BQM v CIT (Singapore-ITB Review)</li> </ul>
9.00 am –10.30 am	SESSION 1 <ul style="list-style-type: none"> <li>• Tax Incentives currently available: An update</li> <li>• Tax Treatment/Deductibility Issues of Stock in Trade: PR 3/2020 &amp; 2/2020               <ul style="list-style-type: none"> <li>&gt; Accounting treatment of Stock in Trade (MFRS 102 Inventories: Section 13 of MPERS)</li> <li>&gt; Tax treatment: Acceptable basis of valuation of Stock in Trade (Section 35(3) ITA )</li> </ul> </li> <li>• Deductibility of bad debts: Section 34(2) ITA</li> <li>• Various income tax provisions on deductibility of interest expense: An overview</li> </ul>		
10.30 am –12.00 pm	SESSION 2 <b>Deductibility Issues Relating to Withholding Tax</b> <ul style="list-style-type: none"> <li>• Tax implications on non-deduction and non-remittance of WHT: An update</li> <li>• WHT treatment for late payment penalty to Non-Resident</li> <li>• Application for relief other than in respect of error or mistake: Sec 131A</li> <li>• WHT borne by payer/Re-grossing issue</li> <li>• Highlights of recent developments/decided WHT cases</li> <li>• WHT on payments to Agents, Dealers &amp; Distributors (Sec 107D ITA): An update</li> </ul>		
12.00 pm –1.00 pm	Break		
1.00 pm –3.00 pm	SESSION 3 <b>Managing Tax Audit Process (an Accountant's perspective)</b> <ul style="list-style-type: none"> <li>• The tax audit process: An overview</li> <li>• Known criteria for selection of tax audit cases</li> <li>• Areas of focus during tax audit</li> <li>• Highlights of various critical issues raised during tax audit and positions taken by IRB and taxpayers</li> <li>• Good practices in managing and mitigating tax risks in the event of audit</li> <li>• Effective presentation and proposals for appeals and settlement</li> <li>• Non-Compliance Penalties under Sec. 112 and Sec. 113 ITA</li> <li>• Implementation of "SPECIAL VOLUNTARY DISCLOSURE PROGRAMME 2.0 (SVDP 2.0)" from 1 June 2023 to 31 May 2024: An overview</li> </ul>		
		5.00 pm	End of Webinar

NOTE: The order of topics to be covered may be revised at the trainer/speaker's discretion.

# Business Tax Deductions

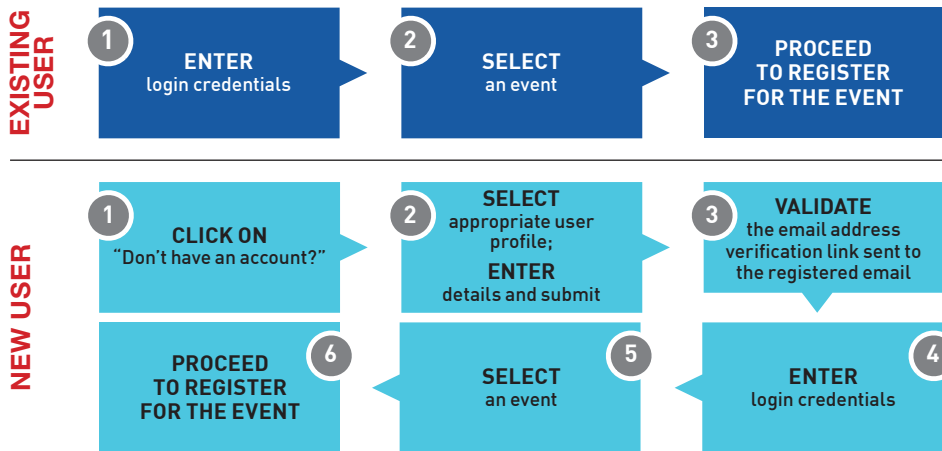
An Accountant's Perspective with Highlights of Malaysian Tax Cases  
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With immediate effect, enrolment for all CPE programmes will be

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### WEBINAR FEE

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- For selected webinars, the fee includes e-materials.
  - **Individual Registration:** Full payment shall be made at the point of online registration.
  - **Corporate Registration:** Full payment shall be made within thirty (30) days from the date of the Invoice or 1 day before the webinar, whichever earlier.
- Access to join the webinar shall be granted only upon full payment as per the above requirement.

### WEBINAR ACCESS LINK

- The Access Link will be emailed at least 24-hours before the commencement of the webinar.
- The Access Link is unique and should not be forwarded/shared with others.

### PAYMENT MODE

- Payment must be made through the **electronic channels i.e. online payment via the MIA member service portal and electronic fund transfer (EFT).**
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- For written cancellation received less than seven (7) days from the date of the webinar, an administrative charge of 20% of the registration fee will be imposed. Unpaid registrations will also be liable for a 20% administrative charge.
- No refunds will be made for written cancellations received on the day of the webinar or for participants who failed to join the webinar. Unpaid registrations will also be liable for full payment of the registration fee.
- Replacing registered participants is not allowed.
- Paid registration that is cancelled can opt to transfer the paid amount to future event(s) after deducting any applicable administrative charges.
- The transfer request to future event(s) should be confirmed by Corporate/Individual within three (3) days after cancellation otherwise the cancellation will be confirmed with refund action. Transfer request will not be entertained after the refund is processed.
- Corporate/Individual is required to top-up the balance amount if the amount to be transferred to the future event is insufficient.

- Any excess amount after transfer will be refunded to the Corporate/Individual's bank account as provided in the EFT form.
- Corporate/Individual is required to provide the EFT form each time when a refund is requested.

### PARTICIPANT'S CLASSIFICATION AND INFORMATION

Category: Corporate/Individual

- Please select the participant classification carefully as it determines the fee payable. No alteration will be allowed upon registration.
- The information on Corporate/Individual provided shall be deemed true and correct. No alteration will be allowed upon registration.

### METHODOLOGY, CERTIFICATE OF ATTENDANCE AND CPE CREDIT HOURS

- Live Q&As, quick polls/surveys will be carried out throughout the webinar.
- For selected webinars, pre and/or post course materials will be shared with participants.
- Self-assessment quizzes at the beginning as well as at end of the webinar will be given to enable participants to self-evaluate themselves on their learning performance and level of understanding of the programme content.
- Participants will be issued with an e-certificate of attendance and awarded CPE credit hours upon strict compliance of the following terms:
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  - Submit the post-course evaluation on learning outcome within 3 days after the completion of the webinar (late submission of the post-course evaluation will not be entertained).
- CPE credit hours will be credited into the MIA Member Services Portal within 14 days of the webinar for participants who have complied with all terms and conditions stipulated herein.
- Listening to pre-recorded webinar and/or reading from past webinar e-material shall not qualify as structured CPE credit hours.

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## WEBINAR FEES

Member/Member Firm	RM 800
Non-member	RM 1,000

*Preferred Payment: Pay with MIA-CIMB Affinity Credit Card.*

## WEBINAR DETAILS & REGISTRATION

15 & 16 June 2023 (Thursday & Friday)

Session 1	: 9.00 am – 10.30 am
Session 2	: 10.30 am – 12.00 pm
Session 3	: 1.00 pm – 3.00 pm
Session 4	: 3.00 pm – 5.00 pm

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