Building a better working world

EY Tax Alert

Vol. 25 – Issue no. 18
3 October 2022

Malaysian developments

- Updated Guidelines on Earnings Stripping Rules (ESR)
- Guidelines on the Tax Treatment of Digital Currency Transactions
- Amendments to Public Ruling (PR) No. 3/2022 – Taxation of Foreign Fund Management Company
- Malaysia-United States of America (US) Inter-Governmental Agreement (IGA) legislated
- Further deduction for Coronavirus Disease 2019 (COVID-19) screening costs borne by employers
- Update to the deferment of withholding tax (WHT) form submissions and payments for recurring small-value WHT transactions
- Tax incentives for Late-Life Assets Production Sharing (LLPS) contracts

Overseas developments

- New Zealand proposes various changes to the Goods and Services Tax Law
- France to implement new VAT e-invoicing requirements from 1 July 2024

Malaysian developments

Updated Guidelines on Earnings Stripping Rules (ESR)

As highlighted in earlier alerts, the Income Tax (Restriction on Deductibility of Interest) Rules 2019 (Rules) were gazetted on 28 June 2019 with respect to Section 140C of the Income Tax Act 1967 (ITA), which was introduced into the ITA to implement the ESR. The Restriction on Deductibility of Interest Guidelines [Section 140C, ITA] (Guidelines) dated 5 July 2019 were issued to provide clarification on the Rules (see *Special Tax Alerts No. 4/2019 and 5/2019*).

Thereafter, the Income Tax (Restriction on Deductibility of Interest (Amendment) Rules 2022 (Amendment Rules) were gazetted on 31 January 2022, mainly to amend the definition of "qualifying deduction" for the purpose of computing the "Tax-EBITDA" under the ESR (see *Tax Alert No. 3/2022*).

Following the above, the Inland Revenue Board (IRB) has recently published on its website the updated Restriction on Deductibility of Interest Guidelines [Section 140C, ITA] (updated Guidelines). Some of the key changes are outlined below.

- The updated Guidelines reflect and provide examples (see Annexes to the updated Guidelines) to demonstrate the application of the amended definition of "qualifying deduction" for the purpose of computing the "Tax-EBITDA[1]".

  To recap, the Amendment Rules provide that a "qualifying deduction" means:
  (a) Where there is business expenditure incurred in the profit and loss (P&L) account allowed as a deduction under the ITA and the amount of deduction allowed exceeds the amount of business expenditure incurred, an amount equal to the difference between the amount of deduction allowed and amount of the business expenditure, or
  (b) Where there is no business expenditure incurred in the P&L account, the amount of deduction allowable under the ITA

  Previously, a "qualifying deduction" meant:
  (a) An amount equal to the expenditure incurred by the person which qualifies for double deductions,
  (b) Any claim for deduction under any rules made under Paragraph 154(1)(b) of the ITA where the deduction is allowed for purposes of ascertaining the adjusted income of the person

  The updated Guidelines reiterate that the restriction on the deductibility of interest under Section 140C of the ITA and Rules apply in respect of a basis period beginning on or after 1 July 2019. However, the updated Guidelines also clarify that the Amendment Rules will only take effect for basis periods beginning on or after 1 February 2022 (see Example 7 of the updated Guidelines).

- Pursuant to Sections 33(4) and 33(5) of the ITA, a taxpayer is only eligible to claim a deduction in respect of interest on borrowings when such interest is "due to be paid". However, the deduction would be related back to the year the interest is payable. Taxpayers may only claim the deduction if they notify the Director General of the deduction, in writing, not later than 12 months from the end of the YA in which the interest expense becomes "due to be paid".

  For the purpose of the ESR, the updated Guidelines clarify that in a situation where the interest payable for a particular YA is only due to be paid in a later YA, the said interest is to be excluded from amount "C" [1], as the interest would have been excluded in deriving amount "A" [1]. Thereafter, when the said interest is due to be paid, the Tax-EBITDA will need to be recomputed to take into account the said interest (i.e., factor into amounts "A" and "C").

- The Guidelines have been updated to reflect the same categories of taxpayers which are not subject to ESR as indicated in the Rules, as follows:
  - Included in the updated Guidelines: A person who has been granted an exemption under

[1] Tax-EBITDA is the sum of A + B + C, where:

A is the amount of the adjusted income of the person from his business sources for the basis period for a year of assessment (YA) before any restriction on deductibility of interest under Section 140C of the ITA

B is the total amount of qualifying deductions allowed in ascertaining the amount of the adjusted income in A

C is the total amount of interest expense incurred in relation to the gross income of the person for any financial assistance in a controlled transaction from his business sources for the basis period for a YA

- Paragraph 127(3)(b) or 127(3A) of the ITA in respect of adjusted income of the person
- Excluded in the updated Guidelines: Special Purpose Vehicle (SPV) as defined under Section 60I(1) of the ITA

The updated Guidelines are available at the following link: [Restriction on Deductibility of Interest Guidelines [Section 140C, Income Tax Act 1967]]

Guidelines on the Tax Treatment of Digital Currency Transactions

The IRB has published on its website the Guidelines on the Tax Treatment of Digital Currency Transactions (Technical Guidelines), dated 26 August 2022. The new 14-page Technical Guidelines were issued to supplement the Guidelines on Taxation of Electronic Commerce Transactions dated 13 May 2019 (see *Tax Alert No. 10/2019*) and provide further guidance on the tax treatment of digital currencies or digital tokens. The Technical Guidelines apply to any person that acquires or disposes digital currencies, as well as any person involved in the business of digital currencies such as trading, mining and exchanging digital currencies. The Technical Guidelines comprise the following paragraphs and set out nine examples:

1.0 Introduction
2.0 Interpretation
3.0 Income tax treatments
4.0 Acquisition cost of digital currency
5.0 Digital currency with no published value
6.0 Record keeping
7.0 Enquiries
Appendix A

For the purpose of the Technical Guidelines, "digital currencies" and "digital tokens" refer to digital financial assets that are based on distributed ledger technology (DLT) and cryptographically secured digital representations of value or contractual rights that can be electronically transferred, stored or traded. Both terms are used interchangeably in the Technical Guidelines.

Some of the key points are outlined below.

- The Technical Guidelines reiterate that digital currency or token gains that are revenue in nature will be subject to tax in Malaysia, whereas gains that are capital in nature will not be subject to tax in Malaysia. The IRB's considerations in determining whether a gain from the disposal of digital currency is revenue or capital in nature are based on the badges of trade, as outlined in Appendix A to the Technical Guidelines.

- The Technical Guidelines explain the tax treatment and provide examples to clarify the treatment for certain types of transactions as follows:

  (a) Carrying on a business involving digital currency or using digital currencies in a business, including the:
    - Trading of digital currencies
    - Mining of digital currencies
    - Receipt of / payments for business transactions in digital currencies
    - Payment of salaries and wages to employees in digital currencies

  (b) Investment in digital currencies and other transactions involving digital currencies:
    - Investment in digital currencies
    - Acquisition and disposal of digital currencies merely to settle payments for goods or services
    - Receipt of digital currencies resulting from free distribution (e.g., airdrop) or splitting of existing digital currencies (e.g., hard fork)
    - Exchange of digital currencies

- The Technical Guidelines stipulate that the acquisition cost of digital currencies is to be determined in Ringgit Malaysia (RM) on a First In,

First Out (FIFO) basis, unless proven otherwise by the taxpayer. If the acquisition cost cannot be determined, the fair value (i.e., rate in force on the day of the transaction, based on acceptable and verifiable digital currency exchanges) will be used. The list of approved digital currency exchanges are available on the Securities Commission Malaysia (SC)'s website at the following link: List of Registered Digital Asset Exchanges

- The Technical Guidelines outline the details and documents in relation to digital currencies which need to be retained for tax purposes.
- The Technical Guidelines do not address the tax implications of Initial Coin Offerings. Further, whilst the Technical Guidelines indicate that "Any person carrying out a business of mining or carrying out mining activities with a profit-seeking motive is subjected to tax according to the existing income tax provisions", the Guidelines do not elaborate on this.

The Technical Guidelines are available at the following link: Guidelines on Tax Treatment of Digital Currency Transactions

Amendments to Public Ruling (PR) No. 3/2022 – Taxation of Foreign Fund Management Company

The IRB has published on its website an amended PR No. 3/2022 – Taxation of Foreign Fund Management Company, on 1 September 2022. The PR explains the tax treatment of income received by a foreign fund management company that provides fund management services to foreign and local investors. The PR is, however, not applicable to a foreign fund management company that issues, offers or makes an invitation to subscribe or purchase units in conventional unit trust funds.

The salient changes are outlined below.

Paragraphs 4.2 and 4.3

Previously, one of the conditions stipulated by the Securities Commission Malaysia (SC) for the licensing of foreign fund management companies was that at least 50% of the paid-up capital is to be owned by foreign equity holders. The PR has been amended to clarify that this condition, which was previously incorporated in the Guidelines for the Establishment of Foreign Fund Management Companies, has been revoked since 10 March 2021.

Appendix of the amended PR

The flowchart on the summary of tax treatment accorded to foreign fund management companies has been updated (as outlined in the Appendix to this Alert).

Malaysia-United States of America (US) Inter-Governmental Agreement (IGA) legislated

The US Foreign Account Tax Compliance Act (FATCA) aims to reduce tax evasion by US persons and Financial Institutions (FIs) outside the US are required to provide information on their clients who are US persons, to the US Inland Revenue Service (US IRS). The US has also developed IGA models as tools to facilitate the FIs' compliance with FATCA.

On 21 July 2021, Malaysia signed an agreement with the US on a Model 1 IGA to implement the FATCA, where reporting Malaysia-based FIs will provide the IRB with the account information of US persons with accounts in Malaysia. The IRB will then exchange such information with the US IRS, similar to the process under the Common Reporting Standard (CRS). To legislate this, the Income Tax (Agreement between the Government of Malaysia and the Government of the United States of America to Improve International Tax Compliance and to Implement the Foreign Account Tax Compliance Act) Order 2022 [P.U.(A)

278] (Agreement) was gazetted on 1 September 2022.

The following Rules and Regulations in connection to the implementation of provisions on obligations arising under the Agreement were also gazetted on 1 September 2022:

- Income Tax (Automatic Exchange of Financial Account Information between the Government of Malaysia and the Government of the United States of America to Improve International Tax Compliance and to Implement the Foreign Account Tax Compliance Act) Rules 2022 [P.U.(A) 279], which applies to a Malaysian FI[Note]
- Labuan Business Activity Tax (Automatic Exchange of Financial Account Information between the Government of Malaysia and the Government of the United States of America to Improve International Tax Compliance and to Implement the Foreign Account Tax Compliance Act) Regulations 2022 [P.U.(A) 280], which applies to any Labuan entity stated in the Schedule to the Labuan Business Activity Tax Act 1990 which is a Malaysian FI[Note]

Note:
Malaysian FI means:
(a) Any FI resident in Malaysia, but excluding any branch of such FI that is located outside Malaysia, and
(b) Any branch of an FI not resident in Malaysia, if such branch is located in Malaysia

In line with the IRB's earlier announcements on the deferment of reporting deadline for FATCA (see *Tax Alert No. 3/2022*), pursuant to P.U.(A) 279 and 280 (see above), every Reporting Malaysian FI shall:

(a) In respect of the calendar years 2014 to 2022 (i.e., a nine-year reporting), furnish a return to the Director General (DG), on or before 30 June 2023, and
(b) In respect of every following calendar year, furnish a return to the DG, on or before 30 June of the year following the end of the calendar year to which the return relates.

A 'nil' return is required to be submitted by the Malaysian FIs if there is no US reportable account for a particular reporting year.

Any failure by Malaysian FIs and persons to comply with FATCA may result in fines of RM20,000 to RM100,000 and/or imprisonment not exceeding six months, upon conviction.

Any failure by Labuan FIs and persons to comply with FATCA may result in fines of up to RM1,000,000 and/or imprisonment not exceeding 2 years.

Further deduction for Coronavirus Disease 2019 (COVID-19) screening costs borne by employers

As highlighted in an earlier alert, the Income Tax (Deduction for Expenses in relation to the Cost of Detection Test of Coronavirus Disease 2019 (COVID-19) for Employees) Rules 2021 were gazetted to provide that in ascertaining a Malaysian-resident employer's adjusted income from his business for a YA, there shall be allowed a further deduction (i.e., a deduction in addition to any deduction allowable under Section 33 of the ITA) for the cost of COVID-19 detection tests for his employees between 1 January 2021 and 31 December 2021 (see *Tax Alert No. 22/2021*). In order to qualify for the additional deduction, the employer has to produce a receipt and certification issued by a medical practitioner registered with the Malaysian Medical Council or a medical practitioner registered outside Malaysia, indicating that the COVID-19 detection tests had been provided to his employees.

Following the above, the Income Tax (Deduction for Expenses in relation to the Cost of Detection Test of

Coronavirus Disease 2019 (COVID-19) for Employees) (Amendment) Rules 2022 [P.U.(A) 291] were gazetted on 9 September 2022 to provide that:

- The receipt and certification issued by a medical practitioner registered outside Malaysia apply only to expenses incurred outside Malaysia, and
- As an alternative, to qualify for the additional deduction, employers may also produce receipts and COVID-19 detection test results of their employees issued by a health facility listed in the List of Laboratories Conducting RT-PCR Test for COVID-19 to the COVID-19 Management Guidelines in Malaysia No. 5/2020 (refer to Annex 4a) issued by the Ministry of Health Malaysia.

The Amendment Rules are effective from YA 2021.

Update to the deferment of withholding tax (WHT) form submissions and payments for recurring small-value WHT transactions

As highlighted in an earlier alert, the IRB issued a letter dated 12 August 2022 to the Chartered Tax Institute of Malaysia stipulating that for ease of administration and to reduce compliance costs for taxpayers, taxpayers may defer their submissions of WHT forms and payments for recurring small-value WHT, subject to conditions (see *Tax Alert No. 17/2022*).

Following the above, on 27 September 2022, the IRB issued a media release on the above-mentioned matter. The key updates are as outlined below:

- Effective 1 August 2022, the submission of WHT forms and the remittance of WHT payments may be made once for every six-month period, as outlined below:

Payments made to non-residents	Due date for the submission of WHT forms and remittances
1 June to 30 November	By **31 December** that year (previously **30 December**)
1 December (in the previous year) to 31 May (of the current year)	By 30 June of the current year

- The relevant date for the submission (i.e., 30 June or 31 December) is to be stated in the Forms CP37 or CP37D (as the case may be)

- Taxpayers are advised to retain the list of payees in respect of which the above-mentioned concession is applied, for verification by the IRB

Tax incentives for Late-Life Assets (LLA) Production Sharing contracts

In Budget 2022, to attract oil and gas companies to invest and venture into LLA, several incentives were proposed, including the following:

(a) Accelerated capital allowances (ACA),
(b) Petroleum income tax rate of 25%, and
(c) Carry back of losses from decommissioning activities, to be utilized against income for two consecutive immediate-preceding YAs. Any remaining losses, i.e., losses which cannot be utilized in the two consecutive immediate-preceding YAs, will be disregarded.

To legislate the above-mentioned proposals, the subsidiary legislations discussed below were gazetted on 27 September 2022 and are deemed to have come into operation on 1 January 2020. For the purpose of the legislations, the Minister may determine a project as an LLA project, which is a brownfield oil or gas field (i.e., an oil or gas field that has been developed and has reached a peak level of

oil or gas production rate) that has an economic lifespan not exceeding ten years commencing from the year the LLA production sharing (LLAPS) contract is signed.

Petroleum (Income Tax) (Accelerated Capital Allowances) (Late-Life Assets Production Sharing Contract) Rules 2022 [P.U.(A) 301]

The Rules provide that a chargeable person will be given ACA (20% initial allowance and 40% annual allowance) in respect of qualifying plant expenditure incurred for the purpose of carrying out petroleum operations in relation to LLAPS contracts.

The Rules shall apply to a chargeable person who:

(a) Has signed an LLAPS contract between 1 January 2020 and 31 December 2029, and
(b) In the basis period for a YA has incurred qualifying plant expenditure under the Second Schedule to the Petroleum (Income Tax) Act 1967 (PITA) solely for the purpose of carrying out petroleum operations in relation to that LLAPS contract

If an asset which qualifies for the ACA is disposed-of within one year from its date of acquisition, the allowance given under the Rules shall be withdrawn. Such allowance shall be withdrawn in the basis period for the YA in which the asset is disposed of.

The non-application provisos stipulate that the Rules shall not apply where the chargeable person:

- Has been granted ACA under the Petroleum (Income Tax) (Accelerated Capital Allowances) (Marginal Field) Rules 2013,
- Has been granted investment allowance under the Petroleum (Income Tax) (Investment Allowance) Regulations 2013,
- Has been granted tax exemption under the Petroleum (Income Tax) (Exemption) Order 2013,
- Has been granted ACA under the Petroleum (Income Tax) (Accelerated Capital Allowances) (PETRONAS Marginal Field) Rules 2014,
- Has been granted tax exemption under the Petroleum (Income Tax) (Exemption) Order 2014,
- Has been granted investment allowance under the Petroleum (Income Tax) (Investment Allowance for PETRONAS) Regulations 2021,
- Carries on petroleum operations in the Joint Development Area, or
- Carries on petroleum operations in an area under any agreement or arrangement made by the Government with any government of any territory outside Malaysia for the joint exploration and exploitation of petroleum in overlapping areas.

Petroleum (Income Tax) (Exemption) Order 2022 [P.U.(A) 302]

The Order provides that a chargeable person will be partially exempted from the payment of petroleum income tax in respect of statutory income derived from petroleum operations in relation to LLAPS contracts. The statutory income exempted is determined in accordance with the formula below, resulting in a reduction of the tax rate from 38% to 25%.

A / B x C

where:

A is the chargeable tax of the chargeable person in respect of its petroleum operations in relation to the LLAPS contract which is equal to 38% of its chargeable income reduced by the chargeable tax which is equal to 25% of its chargeable income

B is the chargeable tax of the chargeable person in respect of the petroleum operation in relation to the LLAPS contract which is equal to 38% of its chargeable income, and

C is the amount of such chargeable income

The exemption is provided on condition that the chargeable person has signed an LLAPS contract with Petroliam Nasional Berhad (PETRONAS) between 1 January 2020 and 31 December 2029.

The non-application provisos are similar to P.U.(A) 301 (refer above). The Order also stipulates that the exemption granted does not absolve the chargeable person from any requirement to submit any return, statement of accounts or any other information as required under the PITA.

Petroleum (Income Tax) (Adjusted Loss from Oil or Gas Field Decommissioning Activity) (Late-Life Assets Production Sharing Contract) Regulations [P.U.(A) 303]

The Regulations provide that a chargeable person may deduct the amount of adjusted loss from oil and gas field decommissioning activities (as defined) in ascertaining his assessable income from his petroleum operations in relation to LLAPS contracts in a basis period for a YA. The adjusted loss shall be allowed as a deduction as follows:

(a) Firstly, in ascertaining the assessable income of a chargeable person for the YA immediately preceding the YA where the adjusted loss is ascertained under Section 19 of the PITA,

(b) Secondly, any balance of the adjusted loss after taking into account the deduction under Point (a) above shall be utilized as a deduction in ascertaining the assessable income of that person for the second YA immediately preceding the YA where the adjusted loss is ascertained

Any adjusted loss which is not utilized in the two YAs described above shall be disregarded.

The Regulations shall apply to a chargeable person who has signed an LLAPS contract between 1 January 2020 and 31 December 2029.

Overseas developments

New Zealand proposes various changes to the Goods and Services Tax Law

On 30 August 2022, New Zealand released its 2022 Omnibus Tax Bill (Bill) proposing several amendments to the Goods and Services Tax (GST) law. The proposed changes covered in the Bill are wide ranging and should be of interest across all sectors.

Extending the GST rules for electronic marketplaces to the platform economy

Consistent with recent proposals of Inland Revenue (IR), the bill introduces changes that would require operators of electronic marketplaces (both offshore and in New Zealand) through which “listed services” [certain transportation services (ride sharing), beverage and food delivery services and taxable accommodation services (e.g., short-stay accommodation)] are supplied, to account for GST on the listed services where those services are supplied to customers in New Zealand. It is currently the underlying supplier’s responsibility to account for the GST (if GST-registered).

The proposals also include the introduction of the “flat rate” regime for the benefit of underlying suppliers who are not registered for GST purposes (for e.g., on the basis they do not exceed the GST registration threshold). Under the regime, the operators of electronic marketplaces would be entitled to make a deduction of the GST payable (being 8.5% of the value of services) and pass it on to the underlying suppliers to compensate them for their inability to claim GST on costs incurred in relation to the supplies. For completeness, suppliers of these services who are registered for GST will continue to take input tax deductions for the GST on their costs in making these supplies in the usual way.

The Bill proposes to enable large commercial enterprises that provide accommodation through electronic marketplaces (for example, hotels) to enter into written agreements with the operators of those electronic marketplaces; and that the large commercial enterprise, and not the operator of the electronic marketplace, will remain responsible for collecting and returning GST on the accommodation they provide.

If enacted, these rules will apply from 1 April 2024.

The Bill also proposes to implement the Organisation for Economic Co-operation and Development (OECD)'s information reporting and exchange framework from the 2024 calendar year. In effect, digital platforms would be required to conduct certain due diligence procedures for sellers on their platform, collect and collate information, and report this to Inland Revenue. The information would relate to a calendar year and would need to be provided by 31 January following the end of the calendar year. The first information reporting would be required in early 2025, and penalties could apply for failure to comply with these obligations.

GST apportionment and adjustment rules

Inland Revenue recently issued an Issues Paper proposing several amendments to the GST input tax apportionment rules. The Bill incorporates several of the proposals with the intention to simplify the apportionment rules, reduce compliance costs and improve fairness in tax outcomes. Some of the key proposals include:

- *Election to exclude assets from a registered person's taxable activity* – A GST-registered person may elect to treat assets as being separate from their taxable activity at the time of purchase. In these circumstances, the purchaser of the asset cannot deduct GST input tax on the purchase of the asset and does not account for GST output tax on any subsequent disposal – their purchase is the final consumption.
- *Principal purpose test for low-value assets* – For assets purchased for less NZ$10,000 and acquired for the principal purpose of making taxable supplies, a full input tax deduction could be claimed and there would be no requirement to apportion or make GST adjustments. If such an asset was not acquired for the principal purpose of making taxable supplies, no input tax deduction could be claimed.
- Introduction of integrity measures to enable IR to collect GST on the sale of assets in relation to which input tax was previously claimed by the seller.
- Several remedial changes to the current GST apportionment and adjustment rules to reduce compliance costs.

Remedial changes to the new GST invoicing rules

The Bill includes several remedial changes to the legislation passed to introduce comprehensive changes to the existing GST invoicing rules (which come into effect from 1 April 2023). The rules as currently drafted have resulted in certain unintended consequences, creating confusion on the information requirements. The remedial changes should ensure that taxpayers are not burdened by additional compliance costs and obligations because of the changes, consistent with the overall aim of the tax invoice changes of providing more flexibility to taxpayers with respect to invoicing (aligned with modern business practices and government initiatives on e-invoicing).

GST on management fees charged to managed funds

While the Bill initially contained proposals that would exclude fund management services from the definition of "financial services" – effectively standardizing the treatment of fund management services to both managed funds and retirement schemes across the sector (i.e., subject to GST at 15%), it was subsequently announced that the Government would not proceed with this proposal.

This came in response to public concerns raised in respect of the impact on retirement savings.

France to implement new value-added tax (VAT) e-invoicing requirements from 1 July 2024

The new e-invoicing system that is being introduced in France will apply from 1 July 2024. It covers invoices for all transactions between entities subject to VAT issued in electronic form and provides that the data they contain should be transmitted to the tax authority in real-time. The reform follows on from the requirement for e-invoicing for all business relations with the public sector. The French Government states that this reform has four objectives:

- To simplify business life and enhance competitiveness through the reduced administrative burden, reduced payment times and productivity gains resulting from e-invoicing.
- To eventually simplify VAT reporting obligations by pre-filling the declaration form.
- To improve fraud detection, in the interest of economic operators acting in good faith.
- To improve real-time knowledge of business activity.

Software specifications

The French Agency for State Financial Information Technology published the external specification file for electronic invoicing, which is also available in English. It contains documents describing the formats for exchanges with the public invoicing portal (or certified third-party platforms) in the context of the extension of e-invoicing to all transactions between entities subject to VAT and the e-reporting of international transactions and business-to-customers sales (resulting from final adoption by the Parliament in Article 26 of Amended Finance Bill dated August 16, 2022).

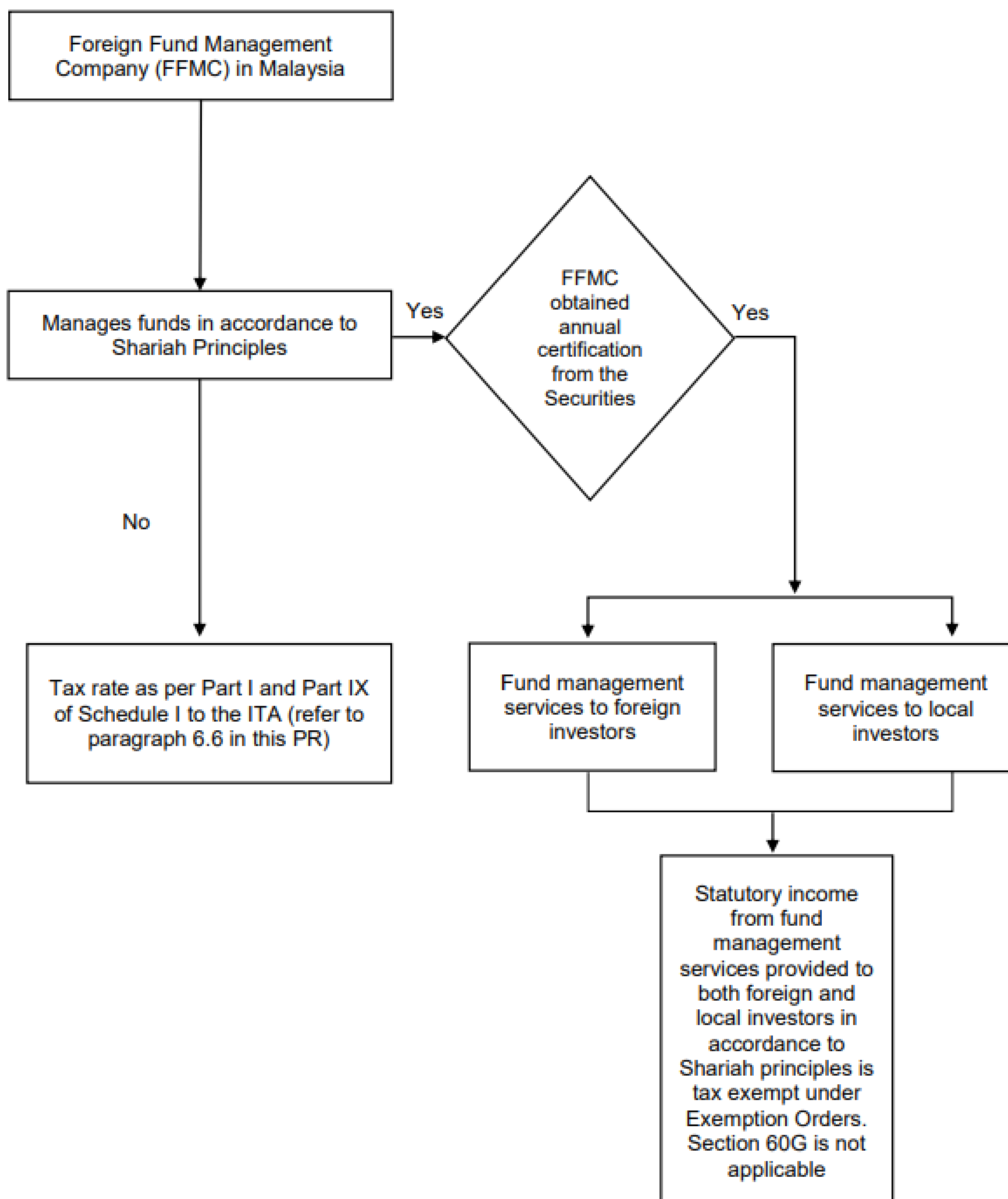
This document specifies the requirements for the submission, reception and transmission of e-invoices, retrieving information on the invoice life cycle, and the transmission of data to the tax authority in the context of international business-to-business transactions and transactions between businesses and end consumers in France. This document is not a user guide but provides all e-invoicing stakeholders with a functional overview of the target solution for business-to-business exchanges. It also specifies essential points such as formats, the directory and exchange protocols. The agency states that the external specifications are subject to change to comply with subsequent legislation.

This guidance is intended for:

- All companies issuing or receiving invoices
- Public legal entities issuing or receiving invoices
- Software editors of financial solutions
- Software editors of dematerialized exchange platforms
- Third-party remote transmission operators
- IT service providers responsible for managing platforms
- Representatives acting on behalf of the issuers or recipients of invoices

APPENDIX

Summary of tax treatment accorded to a foreign fund management company



Contact details

Principal Tax

Yeo Eng Ping (EY Asia-Pacific Tax Leader)
eng-ping.yeo@my.ey.com
+603 7495 8288

Amarjeet Singh (EY Asean Tax Leader)
amarjeet.singh@my.ey.com
+603 7495 8383

Farah Rosley (Malaysia Tax Leader and Malaysia Global Compliance and Reporting Leader)
farah.rosley@my.ey.com
+603 7495 8254

People Advisory Services

Tan Lay Keng (EY Asia-Pacific People Advisory Services Leader)
lay-keng.tan@my.ey.com
+603 7495 8283

Christopher Lim (EY Asean Immigration Leader and Malaysia People Advisory Services Leader)
christopher.lim@my.ey.com
+603 7495 8378

Irene Ang
irene.ang@my.ey.com
+603 7495 8306

Business Tax Services

Robert Yoon (EY Asia-Pacific Fixed Assets Services Leader)
(based in Johor)
robert.yoon@my.ey.com
+603 7495 8332

Wong Chow Yang
chow-yang.wong@my.ey.com
+603 7495 8349

Bernard Yap
bernard.yap@my.ey.com
+603 7495 8291

Chan Vai Fong
vai-fong.chan@my.ey.com
+603 7495 8317

Chua Siong Chee
siong-chee.chua@my.ey.com
+603 7495 8410

Global Compliance and Reporting

Julian Wong (EY Asean Global Compliance and Reporting Leader and EY Asean Managed Services Leader)
julian.wong@my.ey.com
+603 7495 8347

Farah Rosley (Malaysia Tax Leader and Malaysia Global Compliance and Reporting Leader)
farah.rosley@my.ey.com
+603 7495 8254

Janice Wong (EY Asean Japan Business Services (JBS) Tax Leader)
janice.wong@my.ey.com
+603 7495 8223

Asaithamby Perumal
asaithamby.perumal@my.ey.com
+603 7495 8248

Julie Thong
julie.thong@my.ey.com
+603 7495 8415

Liew Ai Leng
ai-leng.liew@my.ey.com
+603 7495 8308

Linda Kuang
(based in Kuching)
linda.kuang@my.ey.com
+6082 752 660

Mark Liow
(based in Penang)
mark.liow@my.ey.com
+604 688 1899

Jaclyn Tan (Payroll Operate Services)
jaclyn.tan@my.ey.com
+603 7495 8404

Contact details

International Tax and Transaction Services

Yeo Eng Ping
eng-ping.yeo@my.ey.com
+603 7495 8288

Amarjeet Singh
amarjeet.singh@my.ey.com
+603 7495 8383

Sockalingam Murugesan (EY Asean Transfer Pricing Leader and Malaysia Transfer Pricing Leader)
sockalingam.murugesan@my.ey.com
+603 7495 8224

Anil Kumar Puri
anil-kumar.puri@my.ey.com
+603 7495 8413

Andrew Loh
andrew.loh@my.ey.com
+603 7495 8313

Chua Meng Hui
(based in Kota Kinabalu)
meng-hui.chua@my.ey.com
+603 7495 8261

Sharon Yong
sharon.yong@my.ey.com
+603 7495 8478

Derek Chan
derek.chan@my.ey.com
+603 7495 8336

Florence Tan
florence.tan@my.ey.com
+603 7495 8585

Shalini R Chandrarajah
shalini.chandrarajah@my.ey.com
+603 7495 8281

International Tax and Transaction Services (cont'd)

Gary Ling (Transfer Pricing)
gary.ling@my.ey.com
+603 7495 8388

Hisham Halim (Transfer Pricing)
hisham.halim@my.ey.com
+603 7495 8536

Vinay Nichani (Transfer Pricing)
vinay.nichani@my.ey.com
+603 7495 8433

Indirect Tax

Yeoh Cheng Guan
cheng-guan.yeoh@my.ey.com
+603 7495 8408

Aaron Bromley
aaron.bromley@my.ey.com
+603 7495 8314

Jalbir Singh Riar
jalbir.singh-riar@my.ey.com
+603 7495 8329

Financial Services

Koh Leh Kien
leh-kien.koh@my.ey.com
+603 7495 8221

Bernard Yap
bernard.yap@my.ey.com
+603 7495 8291

Gary Ling (Transfer Pricing)
gary.ling@my.ey.com
+603 7495 8388

Important dates

15 October 2022	Due date for monthly instalments
31 October 2022	6th month revision of tax estimates for companies with April year-end
31 October 2022	9th month revision of tax estimates for companies with January year-end
31 October 2022	Special 11th month revision of tax estimates for YA 2022, for companies with November 2022 year-end
31 October 2022	Statutory deadline for filing of 2022 tax returns for companies with March year-end. A blanket extension of time has been provided until 30 November 2022.
31 October 2022	Extended 2022 tax return filing deadline for companies with February year-end.
15 November 2022	Due date for monthly instalments
30 November 2022	6th month revision of tax estimates for companies with May year-end
30 November 2022	9th month revision of tax estimates for companies with February year-end
30 November 2022	Statutory deadline for filing of 2022 tax returns for companies with April year-end. A blanket extension of time has been provided until 31 December 2022.
30 November 2022	Extended 2022 tax return filing deadline for companies with March year-end.

EY | Building a better working world

EY exists to build a better working world, helping create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

© 2022 Ernst & Young Tax Consultants Sdn. Bhd.
All Rights Reserved.

APAC no. 07009199
ED None.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

ey.com/en_my

Publisher:
Ernst & Young Tax Consultants Sdn. Bhd.
Level 23A Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
50490 Kuala Lumpur
Tel: +603 7495 8000
Fax: +603 2095 7043