



FAKULTI PENGURUSAN & INDUSTRI HALAL

PROGRAM	Diploma in Accountancy
COURSE NAME	TAXATION 1
COURSE CODE	TAX267
CREDIT HOUR	3
SYNOPSIS	This course is designed to expose students to the Malaysian tax system and its administration. This course aims to introduce the fundamental knowledge of individual income tax computation and its presentation in Malaysia.
COURSE STRUCTURE	
CHAPTER	TOPICS
1	Basis of Malaysian Income Tax 1.1 Objectives and contribution to the economy 1.2 Sources of revenue law 1.3 Types of taxes 1.4 Classes of income 1.5 Charging sections and scope of charge
2	Residence Status for Individual 2.1 Determination of residence status under the Income Tax Act 1967 2.2 The importance of residence status 2.3 Distinction between resident and non-resident individual
3	Employment Income 3.1 Difference between income from employment and income from profession 3.2 Basis period for employment income 3.3 Derivation of employment income [Section 13(2) and Section 13(3)] 3.4 Gross income from employment 3.5 Allowable expenses and exemption 3.6 Computation of adjusted and statutory employment income
4	Capital Allowance/Industrial Building Allowance/Agriculture Allowance Capital Allowance 4.1 Qualifying plant expenditure (QPE) for plant and machinery 4.2 Computation of initial allowance (IA), annual allowance (AA), notional allowance (NA) and accelerated capital allowances 4.3 Acquisition of new plant and machinery (cash and hire purchase) and acquisition of used plant & machinery 4.4 Disposal (computation of balancing charge and balancing allowance)



	<p>4.5 Motor vehicle as plant and machinery</p> <p>4.6 Disposal of asset within two years of acquisition</p> <p>4.7 Clawback of capital allowances</p> <p>Industrial Building Allowance</p> <p>4.8 Types of industrial buildings and deemed industrial building</p> <p>4.9 Determination of qualifying building expenditure (constructed and purchased)</p> <p>4.10 Rates initial and annual allowances</p> <p>4.11 Computation of industrial building allowances</p> <p>4.12 Computation of balancing allowance and balancing charge on disposal of industrial building</p> <p>Agriculture Allowance</p> <p>4.13 Determination of qualifying agriculture expenditure</p> <p>4.14 Rate of allowances</p> <p>4.15 Computation of agriculture allowances on disposal or transfer</p> <p>4.16 Computation of agriculture charge</p> <p>4.17 Application of agriculture allowance and agriculture charge in calculation of Statutory Income</p> <p>4.18 Election of Para 28 Sch 3</p>
5	<p>Business Income</p> <p>5.1 Scope of business income</p> <p>5.2 Deemed derived Section 12</p> <p>5.3 Allowable expenses [Section 33, Section 34(2), Section 34(6)]</p> <p>5.4 Prohibited expenses Section 39</p> <p>5.5 Computation of adjusted and statutory business income</p> <p>5.6 Commencement of business</p> <p>5.7 Cessation of business</p>
6	<p>Personal Income Tax</p> <p>6.1 Business Income, employment income, investment income</p> <p>6.2 Investment income: dividend, interest, rental, royalty, premium, discount, pension and annuity</p> <p>6.3 Basis period for investment income</p> <p>6.4 Allowable expenses and exemption</p> <p>6.5 Computation of adjusted and statutory income</p> <p>6.6 Treatment of approved donation and contribution</p> <p>6.7 Relief and rebates</p> <p>6.8 Joint and separate assessment</p> <p>6.9 Condition to be fulfilled for joint assessment</p> <p>6.10 Types of relief</p> <p>6.11 Types of rebates</p> <p>6.12 Computation of aggregate income, total income, chargeable income and income tax payable/liability</p> <p>6.13 Introduction on e-filing system for individuals</p>



<p>7</p>	<p>Partnership</p> <ul style="list-style-type: none"> 7.1 Definition and types of partnership 7.2 Computation of provisional adjusted income/(loss) and divisible income/(loss) 7.3 Adjusted income of a partner 7.4 Capital allowances allocated to partners 7.5 Other income earned by partnership and partners 7.6 Computation of statutory income, total income, chargeable income and tax liability of each partner 7.7 Changes in the partnership (admission, retirement, change in profit-sharing ratio) 7.8 Limited Liability Partnership (LLP) 7.9 Transition from partnership to Limited Liability Partnership (LLP) 7.10 Tax treatment of LLP 7.11 Distinction of LLP and Partnership
<p>8</p>	<p>Tax Administration</p> <ul style="list-style-type: none"> 8.1 Inland Revenue Board (IRB) assessment and collection branch and its function 8.2 Types of return and the time limit for the submission 8.3 Responsibility of employee and employer 8.4 Self-assessment system on individual 8.5 Scheduler tax deduction system 8.6 Deemed assessment and type of assessment 8.7 Appeal procedure 8.8 Collection and recovery 8.9 Tax compliance 8.10 Offences and penalties
<p>References:</p>	<p>Choong, K. F. (latest year according to recent budget announcement). <i>Malaysian Taxation – Principles and Practices (latest edition)</i>. Malaysia: InfoWorld.</p>