

## B 2010

#### INCOME TAX OF AN INDIVIDUAL

# SHORT NOTES (ADDITIONS & AMENDMENTS)

### (RESIDENT WHO CARRIES ON BUSINESS)

This Notes is an extract from the Form B 2010 Explanatory Notes in respect of additions and amendments which require explanation for the Year of Assessment 2010 pursuant to the Income Tax 1967 (ITA 1967). A more detailed version of the Notes is available at the website of Lembaga Hasil Dalam Negeri Malaysia (LHDNM), http://www.hasil.gov.my

ltom	Cubicat	Evalenation
Item A5	Subject	Explanation
A5	TYPE OF ASSESSMENT	<ul> <li>Enter: <ol> <li>1' if the wife elects for joint assessment to be raised in the name of the husband. She does not have to fill in items C35 and C36, Part D, Part E and Part F of her Form B; or</li> <li>2' if the husband elects for joint assessment to be raised in the name of his wife. He does not have to fill in items C35 and C36, Part D, Part E and Part F of his Form B; or</li> <li>3' if the individual and spouse elect for separate assessment; or</li> <li>4' if the individual is married with a spouse who has no source of income or has income which is tax exempt.</li> <li>5' if the individual is single / a divorcee / a widow / a widower / a deceased person.</li> </ol> </li> <li>Note: Conditions on eligibility to elect for joint assessment: <ol> <li>the husband and the wife were living together in the basis year for a year of assessment and did not in that basis year cease to live together;</li> <li>the husband or the wife must have total income to be aggregated with the total income of the spouse;</li> <li>must be a Malaysian citizen if not resident in Malaysia;</li> <li>the aggregation can be made with one wife only.</li> </ol> </li> </ul>
A9	APPROVED BY THE MINISTER AS A KNOWLEDGE WORKER	Enter '1' if your application to be subject to tax under Paragraph 1 of Part XIV Schedule 1 of ITA 1967 as a knowledge worker is approved by the Minister; or '2' if not applicable.  For further details, refer to P.U.(A) 344/2010 in the LHDNM website.
A9a	DATE OF APPROVAL BY THE MINISTER	If A9 = 1, enter the date of approval by the Minister.
C11	DIVIDENDS	Enter dividends / distribution of income received from companies and unit trust [other than real estate investment trust (REIT) and property trust funds (PTF)] which have been charged to tax at 25%. Please submit Working Sheet HK-3 together with your Form B if you are entitled to a tax refund in item E15. Amount C(iii) from Working Sheet HK-3.
D1	INDIVIDUAL AND DEPENDENT RELATIVES	Relief of RM9,000 for an individual in respect of himself and his dependent relatives is granted automatically. Paragraph 46(1)(a)

D12	PAYMENT O BROADBAN SUBSCRIPT	ID	of ex broad dedu	mount limited to a maxing repenses expended by alband subscription urection is only allowed for Paragraph 46(1)(m)	the individual for nder the individua	the payment of al's name. This									
D13	INTEREST OF		each asses experior Cond (i) a (ii) tl (iii) tl (iv) tl Wher	An amount limited to a maximum of RM10,000 is deductible for each basis year for a period of three consecutive years of assessment beginning from the date in which the interest is first expended.  Conditions for eligibility:  (i) an individual who is a citizen and resident;  (ii) the purchase of the residential property is limited to one unit only;  (iii) the Sale and Purchase Agreement has been executed from 10 March 2009 to 31 December 2010; and  (iv) that residential property must not be rented out  Where:  (a) 2 or more individuals are each entitled to claim deduction in											
			(b) tl	espect of the same residence total amount of interest of the amount of the same residence.	lential property; and erest expended by	those individuals									
				shall be allowed to eac an amount to be determ ıla: A x											
			B = C =	re; total amount of deduction total interest expended by that individual; and total interest expended by all such individuals.	in the basis year fo	r the relevant year									
D18	DEFERRED	ANNUITY													
	contracted of maximum of	on or after RM7,000. H	<b>01/01/</b> loweve	in respect of any paym <b>2010</b> , the total deducti er, the total deduction in limited to RM6,000. Sub	on for D17 and D <sup>2</sup> respect of life insura	18 is limited to a									
	Individual	Life Insura and EPF (		Deduction Allowed [Item D17] (RM)	Deferred Annuity (RM)	Total Deduction Allowed (RM)									
	A	6,500		6,000	1,200	7,000									
	В	8,000		6,000	800	6,800									
	С	5,000		5,000	1,500	6,500									
E2a	Chargeable	Income	FILL	IN THIS ITEM IF A9 = 1											
	Subject to P Schedule 1	art XIV of	Only an individual who has been approved by the Minister as knowledge worker is qualified to fill in this item.  This item need not be completed if A9 = 2												
E2b & E2c	Income Tax Computation Respect of C Income Sub I of Schedule	Chargeable ject to Part													

#### EXAMPLE ON HOW TO FILL IN THE ITEMS E2a, E2b AND E2c

#### **Example I:**

A9 = 2

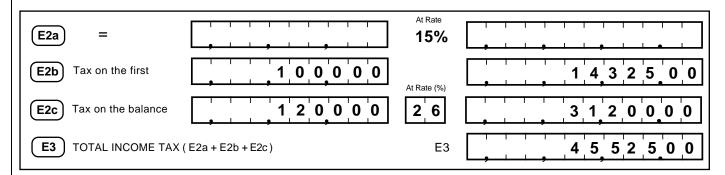
Chargeable income (E1) : RM220,000

Item E2a need not be completed as it is not applicable.

#### Chargeable Income Subject to Part I of Schedule 1 = RM220,000

[Refer category I of the tax schedule]

Enter in items E2a, E2b, E2c and E3 in Form B as follow:



#### **Example II:**

A9 = 1

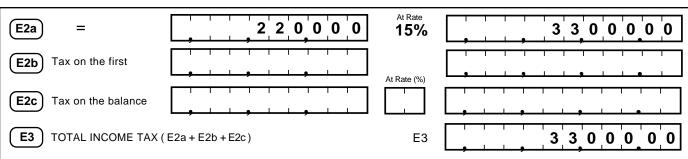
Chargeable income (E1) : RM220,000
Chargeable income from employment with a designated company : RM250,000
Total gross income from all sources : RM250,000

#### Chargeable income subject to Part XIV of Schedule 1 (15%)

- $= \frac{250,000}{250,000} \times 220,000$
- = 220,000

#### Items E2b and E2c need not be completed as it is not applicable.

Enter in items E2a, E2b, E2c and E3 in Form B as follow:



#### **Contoh III:**

A9 = 1

Chargeable income (E1) : RM220,000
Chargeable income from employment with a designated company : RM180,000
Total gross income from all sources : RM250,000

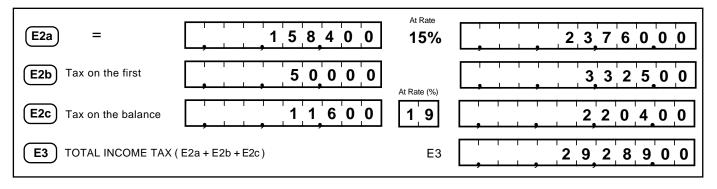
#### Chargeable income subject to Part XIV of Schedule 1 (15%)

- $= \frac{180,000}{250,000} \times 220,000$
- = RM158,400

#### Chargeable income subject to Part I of Schedule 1

- = RM220,000 RM158,400
- = RM61,600 [Refer category G of the tax schedule]

Enter in items E2a, E2b, E2c and E3 in Form B as follow:



		TAX	( SCHEDUL	E		
CATEGORY	RANGE CHARGEABL (a)	E INCOME	R	TATION M o)	RATE % (c)	TAX RM (d)
Α	0 -	2,500	First	2,500	0	0
В	2,501 -	5,000	Next	2,500	1	25
С	5,001 -	10,000	First Next	5,000 5,000	3	25 150
D	10,001 -	20,000	First Next	10,000 10,000	3	175 300
E	20,001 -	35,000	First Next	20,000 15,000	7	475 1,050
F	35,001 -	50,000	First Next	35,000 15,000	12	1,525 1,800
G	50,001 -	70,000	First Next	50,000 20,000	19	3,325 3,800
н	70,001 -	100,000	First Next	70,000 30,000	24	7,125 7,200
I	Exceeding	100,000	First For every	100,000 next ringgit	26	14,325

	CLAIM CODES
	SPECIAL DEDUCTIONS
Code	Claim
142	Deduction for investment in an approved consolidation of management of smallholding and idle land project
144	Expenditure on registration of patent and trade mark

HK-3:	TAX DEDUCTION UNDER SECTION 51 OF FINANCE ACT 2007 (DIVIDENDS)																																		
Name																														-					
Income Tax No. Year of Assessment																·	·	•				•	/C I Bus		Reç	gist	rati	on	No.						

Submit this Working Sheet if entitled to a tax refund (Use separate HK-3 for dividends regrossed)

#### A. List of dividend income:

	Date of	For Year	Warrant No.	Name of Company	Gross Divi	dend	Tax	Tax Deduc	cted	Net Divide	end
No.	Payment	Ended	/ Serial No.	Name of Company	RM	sen	Rate	RM	sen	RM	sen
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
					тот	AL N	ET DIVIE	END			$\perp$
				Total Regrossed	X [ amount fro			Y [ amount fro			

В.	Cc	mp	outa	tion c	of regr	osse	ed di	vidend	d and	tax de	eme	d dedu	cted				
	СО	rpor	ratio		ease u									ers fron dividend			
	(i)	Div	vider	nd reg	rossed	(X)											
		=	Net	divide	end	х	(1	1 - <b>Z</b> * )									
			Net	divide	end												
		=	(	1 - <b>Z</b> *	· )												
		=		(X)													
	(ii)	Та	x de	emed	deduc	ted (	<b>Y</b> )										
		=		X								х		Z *			
		=		(Y)													
		* \	Nhei	re <b>Z</b> is	the cu	ırren	t year	's tax ı	ate for	r corpo	ration	s					
C.	Co	mp	outa	tion c	of Stat	utor	y Inc	ome f	rom D	ivider	nds						

(i) Gross Dividend (X)

(iii) Statutory Income

(ii) Interest on loan employed in the

(dividends) (as per amount Y above)

production of the above dividend income

D. Tax deduction under section 51 of Finance Act 2007

Less: