AMENDMENT TO:

SPECIFICATION FOR MONTHLY TAX DEDUCTION (MTD) CALCULATIONS USING COMPUTERISED CALCULATION METHOD FOR MTD 2013

Revised : dated 29 April 2013
A. INTRODUCTION

According to the provision under Rule 3, Income Tax (Deduction from Remuneration) Rules 1994 (MTD Rules), payroll system that develop by the software provider or developed/customised by the employer should comply with Monthly Tax Deduction (MTD) specifications determined by the Inland Revenue Board of Malaysia (IRBM). IRBM should review and issue verification/approval letter to software providers/employers who comply with MTD specification.

This booklet is to provide guideline and specification for MTD formula that need to develop by the payroll system or employers who develop/customized their payroll system.
PROCEDURE FOR VERIFICATION OF COMPUTERISED CALCULATION METHOD

i. Software providers/employers must comply with specification and provides accurate answer and calculation for all question of testing formula/specification of MTD calculation through email.

ii. IRBM shall arrange appointment (if necessary) to verify software providers/employers’ payroll system if all the answer provided is accurate.

iii. IRBM shall issue verification/approval letter for MTD calculation to software providers/employers if all answer and calculation presented is comply with the specification.

iv. Employers who using the computerised payroll system provided by software providers/employers who complied with the MTD calculation specifications need not obtain further verification from IRBM.

v. IRBM will upload the list of software providers/employers (updated biweekly) who complied with the MTD calculation specifications in IRBM website.

vi. Please forward application using companys’ letter head to:

   Pengarah
   Jabatan Pungutan Hasil
   Lembaga Hasil Dalam Negeri Malaysia
   Aras 15, Wisma Hasil
   Persiaran Rimba Permai
   Cyber 8, Peti Surat 11833
   63000 Cyberjaya
   Selangor Darul Ehsan

   or, email to:

   1. En Anim Omar
      e-mail: anim@hasil.gov.my
      Tel: 03-8313 8888 – 21507

   2. Pn Roshida Daud
      e-mail: roshida@hasil.gov.my
      Tel: 03-8313 8888 – 21527

   3. En Chua Tian Siang
      e-mail: ctsiang@hasil.gov.my
      Tel: 03-8313 8888 – 21523
B. AMENDMENT PRIOR TO REVISE DATE 29 APRIL 2013

1. Category of remuneration

With effective from 1 January 2013, overtime allowance, allowances (variable amount paid monthly) and commission (variable amount paid monthly) are categorised as normal remuneration.

Only allowance and commission which not paid monthly are categorised as additional remuneration.

Extension of time is prolonged until Jun 2013 to all software provider and employer who develop/customized the payroll system to take action on these changes. These changes must take into effect on July 2013.

Previous:

Such additional remuneration includes:

i. overtime allowance
ii. bonus/incentive
iii. arrears of salary or any other arrears paid to an employee
iv. employee’s share option scheme (if employee opts for MTD deduction)
v. tax borne by employer
vi. gratuity
vii. compensation for loss of employment
viii. ex-gratia
ix. director’s fee (not paid monthly)
x. commissions
xi. allowances (variable amount either paid every month or not)
xii. any other payment in addition to normal remuneration for current month

Current:

Such additional remuneration includes:

i. bonus/incentive
ii. arrears of salary or any other arrears paid to an employee
iii. employee’s share option scheme (if employee opts for MTD deduction)
iv. tax borne by employer
v. gratuity
vi. compensation for loss of employment
vii. ex-gratia
viii. director’s fee (not paid monthly)
ix. commissions (not paid monthly)
x. allowances (not paid monthly)
xii. any other payment in addition to normal remuneration for current month
C. AMENDMENT TO SPECIFICATION FOR MTD CALCULATIONS USING COMPUTERISED CALCULATION METHOD FOR 2013

Notice:

All software providers/employers who obtained verification for MTD 2012 should apply the amendment to the specification for MTD calculations pursuant to Budget 2013 to their payroll system without obtaining further verification for MTD 2013 from IRBM.

This amendment provides clarification in relation to Budget 2013. Amendments for computerised calculation method of Monthly Tax Deduction (MTD) 2013 are as follows:

1. Tax Revision on Individual Income

The individual income tax rate be reduced by 1 percentage point for each grouped annual income tax exceeding RM2,500 to RM50,000 with effective year assessment 2013.

Therefore schedule 1 of the MTD formula should be changed as follows:

Schedule 1: Value of P, M, R and B

<table>
<thead>
<tr>
<th>P (RM)</th>
<th>M (RM)</th>
<th>R (%)</th>
<th>B Category 1 &amp; 3 (RM)</th>
<th>B Category 2 (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,500 – 5,000</td>
<td>2,500</td>
<td>0</td>
<td>− 400</td>
<td>− 800</td>
</tr>
<tr>
<td>5,001 – 20,000</td>
<td>5,000</td>
<td>2</td>
<td>− 400</td>
<td>− 800</td>
</tr>
<tr>
<td>20,001 - 35,000</td>
<td>20,000</td>
<td>6</td>
<td>− 100</td>
<td>− 500</td>
</tr>
<tr>
<td>35,001 - 50,000</td>
<td>35,000</td>
<td>11</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>50,001 - 70,000</td>
<td>50,000</td>
<td>19</td>
<td>2,850</td>
<td>2,850</td>
</tr>
<tr>
<td>70,001 - 100,000</td>
<td>70,000</td>
<td>24</td>
<td>6,650</td>
<td>6,650</td>
</tr>
<tr>
<td>Exceeding 100,000</td>
<td>100,000</td>
<td>26</td>
<td>13,850</td>
<td>13,850</td>
</tr>
</tbody>
</table>

2. Deduction For Children Receiving Full-Time Instruction at Any University, College or Other Higher Education Institution (Similar to a University Or College).

The existing deduction on the children’s higher education amounting to RM4,000 per person be increased to RM6,000, commencing from year of assessment 2013.

Where a child falls within these conditions, the employee is treated as having the respective number of children:
### In circumstances where Deduction to be given as if the employee has this number of children

| i. Child over the age of 18 years and receiving full-time instruction at diploma level onwards in an institution of higher education in Malaysia. | 6 |
| ii. Child over the age of 18 years and receiving full-time instruction at degree level onwards in an institution of higher education outside Malaysia. | 6 |
| iii. Disabled child as certified by the Department of Social Welfare. | 5 |
| iv. Disabled child receiving further instruction at diploma level onwards in an institution of higher education in Malaysia or at degree level onwards in an institution of higher education outside Malaysia. | 11 |

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### 3. Net Deposit in National Education Savings Scheme/ “Skim Simpanan Pendidikan Nasional” (SSPN)

Current relief of RM3,000 for savings in the National Education Savings Scheme (SSPN) is increased to RM6,000.

The deduction is effective from year of assessment 2012 until year of assessment 2017.

### 4. Subscription Fee of Internet Broadband

With effective from year 2013, the subscription fee of internet broadband is no longer a deduction.

Therefore, system should remove or disable the claimed on this deduction.

### 5. Fi/levi

With effective from year 2012, employee is no longer can be claimed rebate on fee/levy due to section 6C Income Tax Act 1967 on fi/levy is deleted with effective from year assessment 2011.

Therefore, system should remove or disable the claimed on this rebate in the following formulas:

- **Net MTD**
  
  **Previous**:
  
  \[
  \text{Net MTD} = \text{MTD for current month} - \text{zakat and fee/levy for current month}
  \]

  **Current**:
  
  \[
  \text{Net MTD} = \text{MTD for current month} - \text{zakat for current month}
  \]

- **Definition of value Z**
  
  **Previous**:
  
  \[
  Z = \text{Accumulated fi/levy paid other than fi/levy for current month;}
  \]

  **Current**:
  
  \[
  Z = \text{Accumulated zakat paid other than zakat for current month;}
  \]
• Step in formula

Previous:

Step 4 - Determine MTD for current month additional remuneration where total tax (Step 3) less total MTD for a year (Step 1[D]), zakat and fee/levy which have been paid.

MTD for additional remuneration = Step 3 – [Step 1[D] + zakat and fee/levy which have been paid]

Current:

Step 4 - Determine MTD for current month additional remuneration where total tax (Step 3) less total MTD for a year (Step 1[D]), zakat which have been paid.

MTD for additional remuneration = Step 3 – [Step 1[D] + zakat which has been paid]
MONTHLY TAX DEDUCTION (MTD) FORMULA FOR COMPUTERISED CALCULATION METHOD

Employee's resident status

The MTD calculation depends on the resident status of the employee. There are 2 types of residency as follows:

a. Non Resident Employee

MTD of an employee who is not resident or not known to be resident in Malaysia shall be calculated at the rate of 26% of his remuneration.

Example:

Employee is not resident in calendar year 2013.

Total monthly remuneration : RM3,000.00
MTD calculation : RM3,000.00 x 26%
Total MTD : RM780.00

A non-resident employee is eligible to get tax exemption on allowances, benefits and perquisites as stated in page 15 and 16 in this document. The exempt income shall be excluded from the remuneration for MTD purposes.

b. Resident Employee

MTD of an employee who is resident or known to be resident in Malaysia is derived after deducting all allowable deductions under the Act.

MTD formula are categorised into four (4) formulas. The employer may change the category of remuneration based on the approval from the IRBM. The formulas are:

i. Normal remuneration formula
ii. Additional remuneration formula
iii. Returning Expert Program Formula
iv. Knowledge worker at specified region (ISKANDAR)

i. Normal remuneration formula

“Remuneration” means monthly fixed remuneration paid to an employee whether the amount is fixed or variable as stated in the employment contract written or otherwise.

If the employee has no salary and only receives a commission, the commission paid is considered as remuneration.

If the monthly salary is paid on a daily or hourly basis, the total monthly salary paid is considered as remuneration.

If the monthly salary changes due to the change in currency values, the total monthly salary paid is also considered as remuneration.

Overtime allowance, allowances (variable amount paid monthly) and commission (variable amount paid monthly) are categorised as normal remuneration.

However, vendor/employer is given time to implement this changes until July 2013.
MTD for current month  = \[ \frac{(P - M) R + B}{n + 1} - (Z + X) \]

$P = \text{Total chargeable income for a year;}$

$\sum (Y - K) = \text{Total accumulated net remuneration including net additional remuneration which has been paid to an employee until before current month including net remuneration which has been paid by previous employer in the current year (if any);}$

$Y = \text{Total monthly gross remuneration and additional remuneration which has been paid including monthly gross remuneration paid by previous employer in the current year (if any);}$

$K = \text{Total contribution to EPF or other Approved Scheme made on all remuneration (monthly remuneration, additional remuneration and remuneration from previous employer in the current year) or life insurance premium or both paid (including premium claimed under previous employment in the current year, if any) not exceeding RM6,000.00 per year;}$

$Y_1 = \text{Current month's normal remuneration;}$

$K_1 = \text{Contribution to EPF or other Approved Scheme and life insurance premium paid for current month's remuneration subject to total qualifying amount not exceeding RM6,000.00 per year;}$

$Y_2 = \text{Estimated remuneration as per } Y_1 \text{ for the following month;}$

$K_2 = \text{Estimated balance of total contribution to EPF or other Approved Scheme and life insurance premium paid for qualifying monthly balance } \left[ (RM \ 6,000 \text{ (Limited)} - (K + K_1 + K_t)) / n \right] \text{ or } K_1, \text{ whichever is lower;}$

$Y_1 - K_t = \text{Net additional remuneration for current month;}$

$Y_1 = \text{Gross additional remuneration for current month;}$

$K_t = \text{Contribution to EPF or other Approved Scheme for current month’s additional remuneration subject to total qualifying amount not exceeding RM6,000.00 per year;}$

$n = \text{Remaining working month in a year;}$

$n + 1 = \text{Remaining working month in a year including current month;}$

$D = \text{Deduction for individual of RM9,000.00;}$

$S = \text{Deduction for spouse of RM3,000.00;}$

$D_U = \text{Deduction for disabled individual RM6,000}$

$S_U = \text{Deduction for disabled spouse of RM3,500}$

$Q = \text{Deduction of RM1,000.00 for qualifying children;}$

$C = \text{Number of qualifying children (refer to term and conditions paragraph 12(a)(c);}$

Value of $D$, $S$ and $C$ are determined as follows:
i. If category 1 = Single;
   Value of D = RM9,000.00, S = 0 and C = 0;

ii. If category 2 = Married and spouse is not working;
    Value of D = RM9,000.00, S = RM3,000.00 and C = Number of qualifying children;

iii. If category 3 = Married and spouse is working;
     Value of D = RM9,000.00, S = 0 and C = Number of qualifying children;

\[ \sum LP \]
Other accumulated allowable deductions including from previous employment in the current year (if any);

LP\(_t\) Other allowable deductions for current month;

M Amount of first chargeable income for every range of chargeable income a year;

R Percentage of tax rates;

B Amount of tax on M less tax rebate for individual and spouse (if qualified);

Z Accumulated zakat paid other than zakat for current month;

X Accumulated MTD paid in the current year including payment from previous employment in that year but shall not include additional MTD requested by the employee and payment of tax installment (CP38).

Upon getting value of P, the value of M, R and B are determined based on Schedule 1 below where value of B depends on category of employee.

\[
\begin{array}{|c|c|c|c|c|}
\hline
P & M & R & B \text{ Category 1 & 3} & B \text{ Category 2} \\
\text{(RM)} & \text{(RM)} & \text{ (%) } & \text{(RM)} & \text{(RM)} \\
\hline
2,500 – 5,000 & 2,500 & 0 & -400 & -800 \\
5,001 – 20,000 & 5,000 & 2 & -400 & -800 \\
20,001 - 35,000 & 20,000 & 6 & -100 & -500 \\
35,001 - 50,000 & 35,000 & 11 & 1,200 & 1,200 \\
50,001 - 70,000 & 50,000 & 19 & 2,850 & 2,850 \\
70,001 - 100,000 & 70,000 & 24 & 6,650 & 6,650 \\
\text{Exceeding 100,000} & 100,000 & 26 & 13,850 & 13,850 \\
\hline
\end{array}
\]

ii. Additional remuneration formula

“Additional remuneration” means any payment paid to an employee either in one lump sum or periodical or in arrears or non fixed payment or any additional payment to a current month’s normal remuneration.

Such additional remuneration includes:

i. bonus/incentive
ii. arrears of salary or any other arrears paid to an employee
iii. employee’s share option scheme (if employee opts for MTD deduction)
iv. tax borne by employer
v. gratuity
vi. compensation for loss of employment
vii. ex-gratia
viii. director’s fee (not paid monthly)
ix. commissions (not paid monthly)
x. allowances (not paid monthly)
x. any other payment in addition to normal remuneration for current month
Note:

Bonus and director fee shall, when received in the current year, be treated as part of the gross income from employment income for the year in which it is received. Therefore, PCB should calculate based on current year additional remuneration formula and reported together with current month’s PCB in CP39 text file format.

Additional Remuneration Formula

Step 1 - Determine MTD on net remuneration for a year (not including current month’s additional remuneration).

[A] Determine category of employee.

[B] Determine chargeable income for a year [P];

\[ P = \sum(Y - K^*) + (Y_1 - K_1^*) + [(Y_2 - K_2^*)n] + (Y_t - K_t^*) - [D + S + D_U + S_U + Q + Q + \sum LP + LP_1] \]

where \((Y_t - K_t) = 0\)

[C] Determine monthly MTD for net normal remuneration. Once value of \(P\) in Step [B] is determined, value of \(M\), \(R\) and \(B\) are determined based on Schedule 1 above.

MTD for current month \(= \frac{(P - M) R + B}{n + 1} - \frac{(Z + X)}{n + 1}\)

Net MTD = MTD for current month – zakat for current month

[D] Determine total MTD for a year

Total MTD for a year = Total paid accumulated MTD + [MTD for current month at Step [C] x remaining month in a year include current month]

\(= X + [(MTD \text{ for current month at Step [C]} \times (n + 1)]\)

Step 2 – Determine chargeable income for a year [P] (including additional remuneration for current month) and additional remuneration which has been paid.

[A] Determine category of employee.

[B] Determine chargeable income for a year [P];

\[ P = \sum(Y - K^*) + (Y_1 - K_1^*) + [(Y_2 - K_2^*)n] + (Y_t - K_t^*) - [D + S + D_U + S_U + Q + Q + \sum LP + LP_1] \]

Step 3 – Determine total tax for a year based on value of \(P\) in Step 2 [B]. Value of \(M\), \(R\) and \(B\) are based on value as per Schedule 1 above.

Total tax for a year = \((P - M) R + B\)

Step 4 - Determine MTD for current month additional remuneration where total tax (Step 3) less total MTD for a year (Step 1[D]), zakat which have been paid.

MTD for additional remuneration = Step 3 – [Step 1[D] + zakat which has been paid]
Step 5 – MTD for current month which shall be paid.

= Net MTD + MTD for current month on additional remuneration
= Step 1[C] + Step 4

iii. Returning Expert Program Formula

An approved employee under REP shall be taxed at a rate of 15% from its chargeable income. If the chargeable income does not exceed RM35,000, employees are eligible for individual and spouse rebate for RM400, respectively.

Duration of the incentive is for five (5) consecutive full years of assessment.

Formula:

MTD for current month = \frac{[PR - T - (Z+X)]}{n + 1}

Net MTD = MTD for current month – zakat for current month

Where:

P = \sum (Y-K) + \sum (Y_1-K_1) + \sum (Y_2-K_2)n + \sum (Y_t-K_t) - (D+S+D_U+S_{U}+Q+C+(\sum LP+LP_1))

\sum (Y-K)\  Total accumulated net remuneration including net additional remuneration which has been paid to an employee until before current month including net remuneration which has been paid by previous employer in the current year (if any);

Y\  Total monthly gross remuneration and additional remuneration which has been paid including monthly gross remuneration paid by previous employer in the current year (if any);

K\  Total contribution to EPF or other Approved Scheme made on all remuneration (monthly remuneration, additional remuneration and remuneration from previous employer in the current year) and life insurance premium paid (including premium claimed under previous employment in the current year, if any) not exceeding RM6,000.00 per year;

Y_1\  Current month’s normal remuneration;

K_1\  Contribution to EPF or other Approved Scheme and life insurance premium paid for current month’s remuneration subject to total qualifying amount not exceeding RM6,000.00 per year;

Y_2\  Estimated remuneration as per Y_1 for the following month;

K_2\  Estimated balance of total contribution to EPF or other Approved Scheme and life insurance premium paid for the qualifying monthly balance [[RM 6,000 (Limited) – (K + K_1 + K_t)] / n] or K_1, whichever is lower;

Y_t-K_t\  Net additional remuneration for current month;

Y_t\  Gross additional remuneration for current month;

K_t\  Contribution to EPF or other Approved Scheme for current month’s additional remuneration subject to total qualifying amount not exceeding RM6,000.00 per year;

* K + K_1 + K_2 + K_t not exceeding RM6,000.00 per year

n\  Remaining working month in a year;

n + 1\  Remaining working month in a year including current month;
D  Deduction for individual of RM9,000.00;
S  Deduction for spouse of RM3,000.00;
D_u Deduction for disabled individual RM6,000;
S_u Deduction for disabled spouse of RM3,500;
Q  Deduction of RM1,000.00 for qualifying children;
C  Number of qualifying children (refer to term and conditions paragraph 12(a)(c);

Value of D, S and Q are determined as follows:

i.  If category 1 = Single;
     Value of D = RM9,000.00, S = 0 and Q = 0;

ii. If category 2 = Married and spouse is not working;
    Value of D = RM9,000.00, S = RM3,000.00 and Q = Qualifying children;

iii. If category 3 = Married and spouse is working;
     Value of D = RM9,000.00, S = 0 and Q = Qualifying children;

\[ \sum LP \] Other accumulated allowable deductions including from previous employment in the current year (if any);
\[ LP_1 \] Other allowable deductions for current month;
\[ R \] Percentage of tax rates;
\[ T \] Individual and spouse rebate (if any);
\[ Z \] Accumulated zakat paid in the current year other than zakat for current month;
\[ X \] Accumulated MTD paid for previous month including from previous employment in the current year (including MTD on additional remuneration. MTD amount is not including additional MTD requested by the employee and CP38.

Upon getting value of \( P \), the value of \( T \) are determined based on Schedule 2 below where value of \( T \) depends on category of employee.

### Jadual 2: Nilai P, R dan T

<table>
<thead>
<tr>
<th>P (RM)</th>
<th>R (%)</th>
<th>T Kategori 1 &amp; 3 (RM)</th>
<th>T Kategori 2 (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kurang 35,000</td>
<td>15</td>
<td>400</td>
<td>800</td>
</tr>
<tr>
<td>Melebihi 35,000</td>
<td>15</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

iv. Knowledge worker at specified region (ISKANDAR).

Tax rate at 15% is charged to the qualified knowledge worker and work in Iskandar Regional Development Authority.

The incentive is given to the applicant and start work in Regional Development Authority not later than 31 December 2015.

**Formula:**

\[
\text{MTD for current month} = \frac{[PR - (Z + X)]}{n + 1}
\]

Net MTD = MTD for current month − zakat for current month
Where $P = [\sum(Y-K^*)+(Y_1-K_1^*)+[(Y_2-K_2^*) \times n]+(Y_t-K_t^*)]-[D+S+Du+Su+QC+(\sum LP+LP_1)]$

- **P**: Total chargeable income for a year;
- **$\sum (Y-K)$**: Total accumulated net remuneration including net additional remuneration which has been paid to an employee until before current month including net remuneration which has been paid by previous employer in the current year (if any);
- **Y**: Total monthly gross remuneration and additional remuneration which has been paid including monthly gross remuneration paid by previous employer in the current year (if any);
- **K**: Total contribution to EPF or other Approved Scheme made on all remuneration (monthly remuneration, additional remuneration and remuneration from previous employer in the current year) and life insurance premium paid (including premium claimed under previous employment in the current year, if any) not exceeding RM6,000.00 per year;
- **Y_1**: Current month’s normal remuneration;
- **K_1**: Contribution to EPF or other Approved Scheme and life insurance premium paid for current month’s remuneration subject to total qualifying amount not exceeding RM6,000.00 per year;
- **Y_2**: Estimated remuneration as per Y_1 for the following month;
- **K_2**: Estimated balance of total contribution to EPF or other Approved Scheme and life insurance premium paid for the qualifying monthly balance $[(RM 6,000 (Limited)) - (K + K_1 + K_t)] / n$ or K_1, whichever is lower;
- **Y_t - K_t**: Net additional remuneration for current month;
- **Y_1**: Gross additional remuneration for current month;
- **K_t**: Contribution to EPF or other Approved Scheme for current month’s additional remuneration subject to total qualifying amount not exceeding RM6,000.00 per year;\nt + K_1 + K_t not exceeding RM6,000.00 per year
- **n**: Remaining working month in a year;
- **n + 1**: Remaining working month in a year including current month;
- **D**: Deduction for individual of RM9,000.00;
- **S**: Deduction for spouse of RM3,000.00;
- **Du**: Deduction for disabled individual RM6,000;
- **Su**: Deduction for disabled spouse of RM3,500;
- **Q**: Deduction of RM1,000.00 for qualifying children;
- **C**: Number of qualifying children (refer to term and conditions paragraph 12(a)(c));

Value of D, S and Q are determined as follows:

i. If category 1= Single;
   Value of D = RM9,000.00, S = 0 and Q = 0;

ii. If category 2 = Married and spouse is not working;
   Value of D = RM9,000.00, S = RM3,000.00 and Q = Qualifying children;

iii. If category 3 = Married and spouse is working;
    Value of D = RM9,000.00, S = 0 and Q = Qualifying children;

- **$\sum LP$**: Other accumulated allowable deductions including from previous employment in the current year (if any);
- **LP_1**: Other allowable deductions for current month;
- **R**: Percentage of tax rates;
- **Z**: Accumulated zakat paid in the current year other than zakat for current month;
- **X**: Accumulated MTD paid for previous month including from previous employment in the current year (including MTD on additional remuneration. MTD amount is not including
D. TERMS AND CONDITIONS

1. Calculations is limited to 2 decimal points, truncate the remaining figure:
   Example : 123.4567 = 123.45

2. Final amount of MTD must be rounding up to the highest 5 cents:
   1, 2, 3, 4 – rounding to the 5 cents
   Example : 287.02 ≈ 287.05
   6, 7, 8, 9 – rounding to the 10 cents
   Example : 152.06 ≈ 152.10

3. Amount of total MTD and MTD less than RM10 before deductions of zakat is not required to deduct the MTD payment. However, if the amount of net MTD for the current month (after zakat) is less than RM10, the employer is required to make the deduction.

<table>
<thead>
<tr>
<th></th>
<th>MTD calculation (RM)</th>
<th>MTD amount deducted (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>MTD for current month</td>
<td>&lt; 10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥ 10</td>
</tr>
<tr>
<td>b.</td>
<td>Net MTD (after zakat/fi deduction for the current month)</td>
<td>&lt; 10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥ 10</td>
</tr>
<tr>
<td>c.</td>
<td>MTD for additional remuneration</td>
<td>&lt; 10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥ 10</td>
</tr>
</tbody>
</table>

4. Zakat shall be treated as follows:

   a) Employees receive only remuneration (without additional remuneration).

<table>
<thead>
<tr>
<th>MTD for current month (RM)</th>
<th>Zakat for current month (RM)</th>
<th>Net MTD (RM)</th>
<th>Zakat carried forward to the following month (value of Z) (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>(b)</td>
<td>(a − b = c)</td>
<td>(d)</td>
</tr>
<tr>
<td>a. 8.00 ≈ 0.00</td>
<td>5.00</td>
<td>0</td>
<td>5.00</td>
</tr>
<tr>
<td>b. 15.00</td>
<td>20.00</td>
<td>- 5.00 = 0.00</td>
<td>20.00</td>
</tr>
<tr>
<td>c. 15.00</td>
<td>8.00</td>
<td>7.00</td>
<td>8.00</td>
</tr>
<tr>
<td>d. 120.00</td>
<td>100.00</td>
<td>20.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>
b) Employees receive additional remuneration during the month. Please refer to MTD for additional remuneration formula.

<table>
<thead>
<tr>
<th></th>
<th>MTD for current month (RM)</th>
<th>Zakat for current month (RM)</th>
<th>Net MTD (RM)</th>
<th>Zakat carried forward to the following month (value of Z) (RM)</th>
<th>MTD for additional remuneration (RM)</th>
<th>MTD for current month (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a)</td>
<td>(b)</td>
<td>(c = a - b)</td>
<td>(d)</td>
<td>(e)</td>
<td>(f = c + e)</td>
</tr>
<tr>
<td>a.</td>
<td>8.00 ≈ 0.00</td>
<td>5.00</td>
<td>-5.00 ≈ 0.00</td>
<td>5.00</td>
<td>9.00 ≈ 0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>b.</td>
<td>8.00 ≈ 0.00</td>
<td>5.00</td>
<td>-5.00 ≈ 0.00</td>
<td>5.00</td>
<td>25.00</td>
<td>20.00</td>
</tr>
<tr>
<td>c.</td>
<td>15.00</td>
<td>20.00</td>
<td>-5.00 ≈ 0.00</td>
<td>20.00</td>
<td>32.55</td>
<td>27.55</td>
</tr>
<tr>
<td>d.</td>
<td>15.00</td>
<td>8.00</td>
<td>7.00</td>
<td>8.00</td>
<td>127.30</td>
<td>134.30</td>
</tr>
<tr>
<td>e.</td>
<td>120.00</td>
<td>100.00</td>
<td>20.00</td>
<td>100.00</td>
<td>392.25</td>
<td>412.25</td>
</tr>
</tbody>
</table>

5. MTD for computerised calculation method must be paid for the actual amount (including the decimal point amount).

6. In the situation where employees do not receive any normal remuneration in the current month but only additional remuneration, then value of Y₁ is equal to 0.

7. If additional remuneration paid before the monthly remuneration, value of Y₁ shall refer to the monthly remuneration which will be paid for that month.

8. MTD is to be deducted from the employee’s taxable remuneration only. All the tax exemption on allowances, benefit-in-kind and perquisites shall be excluded from the remuneration for MTD purposes. Any amount exceed the restricted amount shall be taxable. Please refer to Explanatory Notes E Form for references.

All the tax exemption on allowances, benefit-in-kind and perquisites shall reported in the EA Form, section G – TOTAL TAX EXEMPT ALLOWANCES / PERQUISITES / GIFTS / BENEFITS.

Type of benefit-in-kind and perquisites that exempt from tax are as follows:

<table>
<thead>
<tr>
<th>Allowances / Perquisites / Gifts / Benefits</th>
<th>Restricted amount (RM)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Petrol card, petrol allowance, travelling allowance or toll payment or any of its combination for official duties. If the amount received exceeds RM6,000 a year, the employee can make a further deduction in respect of the amount spent for official duties. Records pertaining to the claim for official duties and the exempted amount must be kept for a period of 7 years for audit purpose.</td>
<td>6,000.00</td>
<td></td>
</tr>
<tr>
<td>b. Child care allowance in respect of children up to 12 years of age.</td>
<td>2,400.00</td>
<td></td>
</tr>
<tr>
<td>c. Gift of fixed line telephone, mobile phone, pager or Personal Digital Assistant (PDA) registered in the name of the employee or employer including cost of registration and installation.</td>
<td>Limited to only 1 unit for each category of assets</td>
<td></td>
</tr>
<tr>
<td>d. Monthly bills for subscription of broadband, fixed line telephone, mobile phone, pager and PDA registered in the name of the employee or employer including cost of registration and installation.</td>
<td>Limited to only 1 line for each category of assets</td>
<td></td>
</tr>
</tbody>
</table>
### Allowances / Perquisites / Gifts / Benefits

<table>
<thead>
<tr>
<th>Description</th>
<th>Restricted amount (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>e. Perquisite (whether in money or otherwise) provided to the employee pursuant to his employment in respect of:- (i) past achievement award; (ii) service excellence award, innovation award or productivity award; and (iii) long service award (provided that the employee has exercised an employment for more than 10 years with the same employer).</td>
<td>2,000</td>
</tr>
<tr>
<td>f. Parking rate and parking allowance. This includes parking rate paid by the employer directly to the parking operator.</td>
<td>Restricted to the actual amount expended</td>
</tr>
<tr>
<td>g. Meal allowance received on a regular basis and given at the same rate to all employees. Meal allowance provided for purposes such as overtime or outstation / overseas trips and other similar purposes in exercising an employment are only exempted if given based on the rate fixed in the internal circular or written instruction of the employer.</td>
<td></td>
</tr>
<tr>
<td>h. Subsidised interest for housing, education or car loan is fully exempted from tax if the total amount of loan taken in aggregate does not exceed RM300,000. If the total amount of loan exceeds RM300,000, the amount of subsidized interest to be exempted from tax is limited in accordance with the following formula: Where; [ A \times \frac{B}{C} ] A = is the difference between the amount of interest to be borne by the employee and the amount of interest payable by the employee in the basis period for a year of assessment; B = is the aggregate of the balance of the principal amount of housing, education or car loan taken by the employee in the basis period for a year of assessment or RM300,000, whichever is lower; C = is the total aggregate of the principal amount of housing, education or car loan taken by the employee.</td>
<td></td>
</tr>
</tbody>
</table>

**Example:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normal remuneration</td>
<td>RM5,000 per month</td>
</tr>
<tr>
<td>Car allowance</td>
<td>RM 800 per month</td>
</tr>
<tr>
<td>Meal allowance</td>
<td>RM 300 per month (Exempted)</td>
</tr>
<tr>
<td>Childcare allowance</td>
<td>RM 300 per month (Exempted – limit to RM2,400 per year)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>RM6,400 per month</td>
</tr>
</tbody>
</table>

To determine MTD amount, taxable income as follow:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normal remuneration</td>
<td>RM5,000 per month</td>
</tr>
<tr>
<td>Car allowance</td>
<td>RM 800 per month</td>
</tr>
<tr>
<td><strong>Total taxable remuneration</strong></td>
<td>RM5,800 per month</td>
</tr>
</tbody>
</table>
9. If payment in arrears and other payments in respect of the preceding years (prior to current years) paid by
the employer to the employee, system must be able to calculate based on the MTD formula for the year
payment supposed to be made.

Preceding PARTICULARS OF PAYMENT IN ARREARS AND OTHER PAYMENTS IN RESPECT OF
PRECEDING YEARS

These methods of calculation in concurrent with section 25

a. **If remuneration payment for year 2008 and below.** The following formula is applicable:

[A] Determine the tax deduction on monthly remuneration (excluding arrears)

[B] \( \frac{1}{12} \times \text{net arrears} \) + monthly net remuneration

[C] Determine the tax deduction on [B]

[D] \((C) - (A)\) x 12

Example:

Employee (married)

Spouse working Refer CATEGORY 3 / KA 2

2 number of qualifying children

Monthly remuneration in Dec the related year RM3,600.00 KWSP: RM 396.00
Arrears RM7,200.00 KWSP: RM 792.00

[A] Determine the tax deduction on monthly remuneration (excluding arrears)

<table>
<thead>
<tr>
<th>Monthly remuneration</th>
<th>RM3,600.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minus: EPF</td>
<td>RM 396.00*</td>
</tr>
<tr>
<td>Net monthly remuneration</td>
<td>RM3,204.00</td>
</tr>
</tbody>
</table>

MTD for RM3,204.00 = RM48.00

[B] \( \frac{1}{12} \times \text{net arrears} \) + monthly net remuneration

<table>
<thead>
<tr>
<th>Arrears</th>
<th>RM7,200.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minus: EPF</td>
<td>RM 104.00* (*RM500.00 - RM396.00)</td>
</tr>
<tr>
<td>Net arrears</td>
<td>RM7,096.00</td>
</tr>
</tbody>
</table>

\( \frac{1}{12} \times \text{RM7,096.00} \) + RM3,204.00 = RM3,795.00

[C] Determine the tax deduction on [B]

MTD for RM3,795.00 = RM102.00

[D] \((C) - (A)\) x 12

\((\text{RM102.00} - \text{RM48.00}) \times 12 = \text{RM648.00} \)

(*\text{Contribution to EPF deduction is limited to a maximum RM500.00 per month}*)

**Note:**

Use Formula MTD 2008 and below to determined value of MTD
Formula MTD 2008 and below

Step 1:
Determine employee CATEGORY as per schedule.

Step 2:
Calculate CHARGEABLE INCOME (P) for the employee as follows:

**CATEGORY 1:**
\[ P = [(\text{Total monthly remuneration} - \ast \text{EPF}) \times 12] - \text{RM}8,000.00; \]

**CATEGORY 2:**
\[ P = [(\text{Total monthly remuneration} - \ast \text{EPF}) \times 12] - (\text{Number of children} \times \text{RM}1,000.00) - \text{RM}11,000.00; \]

**CATEGORY 3:**
\[ P = [(\text{Total monthly remuneration} - \ast \text{EPF}) \times 12] - (\text{Number of children} \times \text{RM}1,000.00) - \text{RM}8,000.00; \]
\*EPF limited to RM500.00 per month

Step 3:
Monthly deduction is calculated based on the following formula:

i. Remuneration RM10,000 and BELOW:
\[ \frac{[(P - M) \times R + B]}{12} \times 0.8 \]

ii. Remuneration ABOVE RM10,000:
\[ \frac{[(P - M) \times R + B]}{12} \]

Upon getting value of P, the value of M, R and B are determined based on Schedule 1 below where value of B depends on category of employee.

**Value of P, M, R and B**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2,500 - 5,000</td>
<td>2,500</td>
<td>1</td>
<td>-350</td>
<td>-700</td>
</tr>
<tr>
<td>5,001 - 20,000</td>
<td>5,000</td>
<td>3</td>
<td>-325</td>
<td>-675</td>
</tr>
<tr>
<td>20,001 - 35,000</td>
<td>20,000</td>
<td>7</td>
<td>125</td>
<td>-225</td>
</tr>
<tr>
<td>35,001 - 50,000</td>
<td>35,000</td>
<td>13</td>
<td>1,525</td>
<td>1,525</td>
</tr>
<tr>
<td>50,001 - 70,000</td>
<td>50,000</td>
<td>19</td>
<td>3,475</td>
<td>3,475</td>
</tr>
<tr>
<td>70,001 - 100,000</td>
<td>70,000</td>
<td>24</td>
<td>7,275</td>
<td>7,275</td>
</tr>
<tr>
<td>100,001 - 250,000</td>
<td>100,000</td>
<td>27</td>
<td>14,475</td>
<td>14,475</td>
</tr>
<tr>
<td>Melebihi 250,000</td>
<td>250,000</td>
<td>28</td>
<td>54,975</td>
<td>54,975</td>
</tr>
</tbody>
</table>

**NOTE:**

i. Calculations is limited to the nearest value of RM.
ii. No deduction of MTD if the MTD amount is less than RM20.
b. If remuneration payment for year 2009 and above

Using the same formula for additional remuneration with the following conditions:

i. Value of \((Y-K)\) is the cumulative remuneration received during the year (from January until December that year)

ii. Value of \((Y_1-K_1) = 0\)

iii. Value of \((Y_2-K_2) = 0\)

iv. Value of \(D, S, D_U, S_U\), and QC are value claimed during the year.

v. Value of \(\sum LP\) is the total value of deductions claimed by the employee during the year.

vi. Value of \(LP_1 = 0\)

vii. Only calculate until step 4 to get the value of MTD for additional remuneration.

10. Employee who newly joined the company during the year shall submit TP3 Form (Exhibit 1) to his new employer to notify information relating to his employment with previous employer in the current year.

The amounts related to the previous employment in the previous employer in the current year are used only for the purpose of MTD calculation. These amounts shall not appear in the pay slip and EA Form.

The information amount from the TP3 Form shall be treated in the formula as variable \((Y-K^*)\), \(X\), \(Z\) and \(\sum LP\).

11. Employee who wishes to include benefits-in-kind (BIK) and value of living accommodation (VOLA) as part of his monthly remuneration shall submit TP2 Form (Exhibit 2) to the employer.

Amount of BIK/VOLA shall be treated as part of \(Y_1\) in the MTD calculation during the current year only (year that the employee claimed through TP2 Form to the employer).

It shall not carry forward to the following year.

Amount of BIK/VOLA are used only for the purpose of MTD calculation. These amounts shall not appear in the pay slip and EA Form.

There are 2 methods in providing fields to key into the system:

a. Employer input monthly amount and system treated as \(Y_1\) in the MTD formula.

b. Employer input the total amount of each BIK/VOLA and system calculate the monthly amount that system treated as \(Y_1\) in the MTD formula. The method of calculation to obtain a monthly amount is as follow:

\[
\text{Monthly amount} = \frac{\text{Value of BIK/VOLA for a year}}{\text{Remaining working month in a year including current month}}
\]

Example:

Value of car in a year : RM25,000
Month/year of deduction agreed by the employer : April 2012
Remaining working month in a year including current month : 9 months

Monthly amount : \[
\frac{\text{RM25,000}}{9} = \text{RM2,777.77} \approx \text{RM2,777.00}
\]
12. EPF for the purpose of MTD calculation are as follows:

a. If allowances categorized as the remuneration subject to EPF but not subject to tax, all amount of EPF shall be treated as $K_1$.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>RM2,400.00</td>
</tr>
<tr>
<td>Child care allowance</td>
<td>RM300.00 (receives every month – remuneration category)</td>
</tr>
<tr>
<td>EPF deducted from the salary</td>
<td>RM297.00</td>
</tr>
<tr>
<td>$K_1$ (as per EPF deduction)</td>
<td>RM297.00</td>
</tr>
</tbody>
</table>

b. If allowances categorized as the additional remuneration subject to EPF but not subject to tax, difference of total EPF with the EPF remuneration shall be treated as $K_t$.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>RM2,400.00</td>
</tr>
<tr>
<td>Meal allowance</td>
<td>RM450.00 (one off payment – additional remuneration category)</td>
</tr>
<tr>
<td>EPF deducted from the salary</td>
<td>RM315.00</td>
</tr>
<tr>
<td>$K_1$ (EPF for remuneration)</td>
<td>RM264.00</td>
</tr>
<tr>
<td>$K_t$ (difference from total and normal)</td>
<td>RM315 – RM264 : RM51.00</td>
</tr>
</tbody>
</table>


c. If there is an additional remuneration

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>RM2,400.00</td>
</tr>
<tr>
<td>Bonus</td>
<td>RM3,600.00</td>
</tr>
<tr>
<td>EPF deducted from the salary</td>
<td>RM660.00</td>
</tr>
<tr>
<td>$K_1$ (EPF for remuneration)</td>
<td>RM264.00</td>
</tr>
<tr>
<td>$K_t$ (difference from total and normal)</td>
<td>RM660 – RM264 : RM396.00</td>
</tr>
</tbody>
</table>

13. All allowable deductions are limited up to the maximum amount under the Income Tax Act 1967. The amount of allowable deduction shall not appear in the pay slip and EA Form.

a. Compulsory deductions

There are six (6) type of compulsory deductions that affect in the formula as follows:

$$[D + S + D_u + S_u + QC - (\Sigma LP + LP_1)]$$

<table>
<thead>
<tr>
<th>Deductions</th>
<th>Amount limited to (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Individual</td>
<td>9,000.00</td>
</tr>
<tr>
<td></td>
<td>Deduction of RM9,000.00 for an individual in respect of himself and his dependent relatives is granted automatically.</td>
</tr>
</tbody>
</table>
b. Husband/Wife

i. Deduction of RM3,000.00 is given in respect of a husband living together in the basis year on condition that the husband has no source of income/total income or has elected for joint assessment.

ii. Deduction of RM3,000.00 is given in respect of a wife living together in the basis year on condition that the wife has no source of income/total income or has elected for joint assessment.

<table>
<thead>
<tr>
<th>Deductions</th>
<th>Amount limited to (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>b. Husband/Wife</td>
<td>3,000.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deductions</th>
<th>Amount limited to (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>c. Child</td>
<td>1,000.00</td>
</tr>
</tbody>
</table>

“Child” means an unmarried dependent legitimate child or stepchild or adopted child, under the age of 18 years or if above 18 years old, the child must be:

i. receiving full-time instruction at any university, college or other higher education institution (similar to a university or college); or

ii. serving under articles or indentures with a view to qualifying in a trade or profession.

Deduction of RM1,000.00 is given for each unmarried child under the age of 18 years in a current year.

Deduction of RM1,000.00 is also given for each unmarried child of 18 years and above who is receiving full-time education in a current year.

Where a child falls within these conditions, the employee is treated as having the respective number of children:

<table>
<thead>
<tr>
<th>In circumstances where</th>
<th>Deduction to be given as if the employee has this number of children</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child over the age of 18 years and receiving full-time instruction at diploma level onwards in an institution of higher education in Malaysia.</td>
<td>6</td>
</tr>
<tr>
<td>Child over the age of 18 years and receiving full-time instruction at degree level onwards in an institution of higher education outside Malaysia.</td>
<td>6</td>
</tr>
<tr>
<td>Disabled child as certified by the Department of Social Welfare.</td>
<td>5</td>
</tr>
<tr>
<td>Disabled child receiving further instruction at diploma level onwards in an institution of higher education in Malaysia or at degree level onwards in an institution of higher education outside Malaysia.</td>
<td>11</td>
</tr>
</tbody>
</table>
### Deductions

<table>
<thead>
<tr>
<th>Deductions</th>
<th>Amount limited to (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>d. Contribution to Employees Provident Fund (EPF) or Other Approved Scheme and Life Insurance</td>
<td>6,000.00</td>
</tr>
<tr>
<td>Total deduction for the payment of contributions to the EPF or any other Approved Scheme and life insurance premiums is limited to RM6,000.00 per year.</td>
<td></td>
</tr>
<tr>
<td>e. Disabled Person</td>
<td>6,000.00</td>
</tr>
<tr>
<td>A disabled person will be allowed an additional personal deduction of RM6,000.00.</td>
<td></td>
</tr>
<tr>
<td>f. Disabled Husband/Wife</td>
<td>3,500.00</td>
</tr>
<tr>
<td>Additional deduction of RM3,500.00 is given to an individual if a disabled husband/wife is living together.</td>
<td></td>
</tr>
</tbody>
</table>

**b. Optional deductions**

Employee can claim deductions and rebates in the relevant month subject to approval by employer by submitting TP1 Form (Exhibit 3) to the employer.

In the formula, all optional deductions shall be treated as $\sum LP$ for the cumulative deductions and $LP_1$ for the current month deductions. System must show cumulative and current month deduction amount for the purpose of audit.

$$[D + S + D_U + S_U + QC + (\sum LP + LP_1)]$$

List of deductions must be provided in the system as follows:

<table>
<thead>
<tr>
<th>Deductions</th>
<th>Amount limited to (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Medical Treatment, Special Needs or Carer Expenses of Parents</td>
<td>5,000.00</td>
</tr>
<tr>
<td>Medical treatment, special needs and carer for parents are limited to RM5,000.00 in a basis year. Medical expenses which qualify for deductions includes:</td>
<td></td>
</tr>
<tr>
<td>i. medical care and treatment provided by a nursing home; and</td>
<td></td>
</tr>
<tr>
<td>ii. dental treatment limited to tooth extraction, filling, scaling and cleaning but not including cosmetic dental treatment.</td>
<td></td>
</tr>
<tr>
<td>The claim must be supported by a certified medical practitioner registered with the Malaysian Medical Council that the medical conditions of the parents require medical treatment or special needs or carer.</td>
<td></td>
</tr>
<tr>
<td>The parents shall be resident in Malaysia. The medical treatment and care</td>
<td></td>
</tr>
</tbody>
</table>
services are provided in Malaysia.

In the case of carer, shall be proved by a written certification, receipt or copy of carer’s work permit. “Carer” shall not include that individual, husband, wife or the child of that individual.

b. **Basic Supporting Equipment**

The purchase of any supporting equipment for one’s own use, if he/she is a disabled person or for the use of his/her spouse, child or parent, who is a disabled person may be claimed but limited to a maximum of RM5,000.00 in a basis year. Basic supporting equipment includes haemodialysis machine, wheelchair, artificial leg and hearing aid but exclude optical lenses and spectacles.

<table>
<thead>
<tr>
<th>Deductions</th>
<th>Amount limited to (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>b. Basic Supporting Equipment</strong></td>
<td>5,000.00</td>
</tr>
</tbody>
</table>


c. **Higher Education Fees (Self)**

Payment of annual fee limited to RM5,000.00 is allowed as a deduction for any course of study in an institution or professional body in Malaysia recognized by the Government of Malaysia or approved by the Minister of Finance for the purpose of enhancing any skill or qualification:

i. up to tertiary level (other than Masters and Doctorate) in law, accounting, Islamic finance, technical, vocational, industrial, scientific or technology; or

ii. any course of study at Masters or Doctorate level.

d. **Medical Expenses on Serious Diseases**

Medical expenses on serious diseases include the treatment of acquired immune deficiency syndrome (AIDS), Parkinson’s disease, cancer, renal failure, leukaemia and other similar diseases.

‘Other similar diseases’ such as heart attack, pulmonary hypertension, chronic liver disease, fulminant viral hepatitis, head trauma with neurological deficit, brain tumour or vascular malformation, major burns, major organ transplant or major amputation of limbs.

Amount expended on own self, husband/wife or child is deductible up to a maximum of RM5,000.00.

e. **Complete Medical Examination**

Amount expended on own self, husband/wife or child for complete medical examination is deductible up to a maximum of RM500.00. The total deduction for medical expenses on serious diseases (no. 4) and complete medical examination (no. 5) is limited to a maximum of RM5,000.00 a year.

Example:

Claim for deduction in no. 4 is RM4,900.00. Therefore, the balance of deduction that can be claimed in no. 5 is only RM100.00.
<table>
<thead>
<tr>
<th>Deductions</th>
<th>Amount limited to (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>f. Purchase of Books/Magazines/Journals/Similar Publications</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Purchase of books/magazines/journals/other similar publications (in the form of hard copy or electronic but exclude newspapers or banned reading materials) for the individual, husband/wife or child. Total deduction is limited to a maximum of RM1,000.00 per year.</td>
<td></td>
</tr>
<tr>
<td>g. Purchase of Personal Computer</td>
<td>3,000.00</td>
</tr>
<tr>
<td>An amount limited to a maximum of RM3,000.00 is deductible in respect of the purchase of personal computer. No deduction will be granted if the computer is used for business purpose. This deduction is allowed once in three (3) years.</td>
<td></td>
</tr>
<tr>
<td>h. Net Deposit in <em>Skim Simpanan Pendidikan Nasional</em> (SSPN)</td>
<td>6,000.00</td>
</tr>
<tr>
<td>Amount deposited in SSPN by an individual for his children’s education is deductible up to a maximum of RM6,000.00 per year. The deduction is limited to the net amount deposited in that basis year only. This deduction has effect for the years of assessment 2012 until 2017.</td>
<td></td>
</tr>
<tr>
<td>Example: In a current year</td>
<td></td>
</tr>
<tr>
<td>Deposit in a current year</td>
<td>RM2,000.00</td>
</tr>
<tr>
<td>Less: Withdrawal in a current year</td>
<td>(-) RM1,500.00</td>
</tr>
<tr>
<td>Allowable deduction to be claimed</td>
<td>RM 500.00</td>
</tr>
<tr>
<td>i. Purchase of Sports Equipment</td>
<td>300.00</td>
</tr>
<tr>
<td>An amount limited to a maximum of RM300.00 is deductible in respect of purchase of sports equipment in the basis year by that individual for any sports activity as defined under the Sports Development Act 1997.</td>
<td></td>
</tr>
<tr>
<td>j. Payment of Alimony to Former Wife</td>
<td>3,000.00</td>
</tr>
<tr>
<td>Payment of alimony to a former wife is deductible provided that the total deduction for wife (in paragraph 4.4.1 (b)) and alimony payment is limited to RM3,000.00 per year. Voluntary alimony payment to a former wife under a mutual agreement but without any formal agreement does not qualify as a deduction. Note: Payment of alimony to former wife is not allowed in the case where the employee claimed deduction for wife.</td>
<td></td>
</tr>
<tr>
<td>k. Life Insurance</td>
<td>6,000.00</td>
</tr>
<tr>
<td>Total deduction for the payment of life insurance premiums and contributions to the EPF or any other Approved Scheme is limited to RM6,000.00 per year.</td>
<td></td>
</tr>
</tbody>
</table>
### Deductions

<table>
<thead>
<tr>
<th>Deductions</th>
<th>Amount limited to (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Contribution to a Private Retirement Scheme and Payment of Deferred Annuity</strong></td>
<td>3,000.00</td>
</tr>
<tr>
<td>Deduction on contribution to Private Retirement Scheme approved by the Securities Commission under The Capital Markets and Services Act 2007 or payment of deferred annuity premium or both limited to RM3,000 per year (for 10 years from year assessment 2012 until year assessment 2021).</td>
<td></td>
</tr>
<tr>
<td><strong>m. Education and Medical Insurance</strong></td>
<td>3,000.00</td>
</tr>
<tr>
<td>A deduction not exceeding RM3,000.00 per year for insurance premiums in respect of education or medical benefits for an individual, husband, wife or child.</td>
<td></td>
</tr>
<tr>
<td><strong>n. Interest on Housing Loan</strong></td>
<td>10,000.00</td>
</tr>
<tr>
<td>A deduction not exceeding RM10,000 for each basis year is given on housing loan interest for house purchased from developer or third party subject to the following conditions:</td>
<td></td>
</tr>
<tr>
<td>i. the tax payer is a Malaysian citizen and a resident;</td>
<td></td>
</tr>
<tr>
<td>ii. limited to one residential house;</td>
<td></td>
</tr>
<tr>
<td>iii. has not derived any income; and</td>
<td></td>
</tr>
<tr>
<td>iv. sale and purchase agreement is executed between 10 March 2009 and 31 December 2010.</td>
<td></td>
</tr>
<tr>
<td>The tax deduction is given for 3 consecutive years from the first year the housing loan interest is paid.</td>
<td></td>
</tr>
</tbody>
</table>

14. **Rebate on Zakat**

There are two type of zakat as follows:

a. Zakat that deducted from the remuneration (payslip)

   Amount of zakat should appear in the payslip and EA Form.

b. Zakat claimed through TP1 form

   - Amount of zakat should not appear in the payslip and EA Form due to employee himself paid directly to Pusat Zakat.
   - It is treated as zakat for current month in the month claimed by the employee.

15. **TP1, TP2 and TP3 Form can be submitted online by the employee to the employer. All software provider/employer are recommended to develop online submission of TP1, TP2 and TP3 Form in easing the compulsory implementation of these submissions by the employee.**

Logic of submission is as follow:

a. Unique ID and password to login by each employee.
b. Employee’s declaration section

i. Date of employee’s declaration : date of submission via online
ii. Employee signature : employee’s name


c. Approval by employer

i. Date of approval by the employer : date of the employer process the application from the employees in the payroll system as to generate the MTD amount.
ii. Name : person in charged for payroll processing
iii. Designation : designation of the person in charged
iv. Employer address : employer address

System must provide list of employee that claimed these TP Form. The list can be print and save. Employee also can print and save these TP Form.

16. System must be able to generate detail of amount MTD/CP38 deducted from the employee by using PCBII Form (Exhibit 4).

17. System must able to generate CP39 (Exhibit 5) and CP39A Form (Exhibit 6).

18. System must provide the text file data format (Exhibit 7) for the purpose of MTD submission to the IRBM.

Employer is recommended to submit CP39 and CP39A text file format data via internet banking or e-Data PCB. Employer can register to use the e-Data PCB at http://eapps.hasil.gov.my/.

Conditions:

For arrears payment related to the prior year (other than current year), employer should submit MTD amount by using CP39A text file format. Month of deduction shall be declared as 12 and year of deduction shall be declared as the year of arrears shall be receive.

Example : Arrears for 2008 paid in the current year
          : Text file shall be named as xxxxxxxxxx12_2008.txt
### BAHAGIAN A : MAKLUMAT MAJIKAN

<table>
<thead>
<tr>
<th>No.</th>
<th>Majikan Terdahulu 1</th>
<th>Nama Majikan</th>
<th>No. Majikan</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A2</td>
<td>No. Majikan</td>
<td>E</td>
<td></td>
</tr>
<tr>
<td>A3</td>
<td>Majikan Terdahulu 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A4</td>
<td>No. Majikan</td>
<td>E</td>
<td></td>
</tr>
</tbody>
</table>

*(Sila gunakan lampiran tambahan bagi majikan ketiga dan seterusnya)*

### BAHAGIAN B : MAKLUMAT INDIVIDU

<table>
<thead>
<tr>
<th>No.</th>
<th>Individu</th>
<th>Nama</th>
<th>No. Pengenalan</th>
<th>No. Pasport</th>
<th>No. Cukai Pendapatan</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>B2</td>
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<tr>
<td>B3</td>
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</tr>
<tr>
<td>B4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### BAHAGIAN C : MAKLUMAT SARAAN, KWSP, ZAKAT DAN PCB (sila nyatakan jumlah keseluruhan daripada majikan-majikan terdahulu)

<table>
<thead>
<tr>
<th>No.</th>
<th>Deskripsi</th>
<th>Jumlah RM</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1</td>
<td>Jumlah saraan kasar bulanan dan saraan tambahan termasuk elaun/perkuisit/pemberian/manfaat yang dikenakan cukai</td>
<td></td>
</tr>
<tr>
<td>C2</td>
<td>Jumlah elaun/perkuisit/pemberian/manfaat yang dikenakan cukai</td>
<td></td>
</tr>
<tr>
<td></td>
<td>i Elaun perjalanan, kad petrol atau elaun petrol dan fi tol atas urusan rasmi</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii Elaun penjagaan anak</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii Produk yang dikeluarkan oleh perniagaan majikan yang diberi secara percuma atau diberi pada harga diskaun</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv Perkuisit dalam bentuk tunai/barangan berkaitan dengan pencapaian perkhidmatan lalu, anugerah khidmat cemerlang, anugerah inovasi atau anugerah produktiviti atau perkhidmatan lama dengan syarat pekerja tersebut telah berkhidmat lebih daripada 10 tahun.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>v Lain - lain elaun/perkuisit/pemberian/manfaat yang dikenakan cukai. Sila rujuk nota penerangan Borang BE.</td>
<td></td>
</tr>
<tr>
<td>C3</td>
<td>Jumlah caruman KWSP atau Kumpulan Wang Lain Yang Diluluskan ke atas semua saraan (saraan bulanan dan saraan tambahan)</td>
<td></td>
</tr>
<tr>
<td>C4</td>
<td>Jumlah Zakat</td>
<td></td>
</tr>
<tr>
<td>C5</td>
<td>Jumlah PCB (tidak termasuk CP38)</td>
<td></td>
</tr>
</tbody>
</table>
**BAHAGIAN D : MAKLUMAT POTONGAN**

(sila nyatakan jumlah keseluruhan daripada majikan-majikan terdahulu)

<table>
<thead>
<tr>
<th></th>
<th>HAD TAHUNAN</th>
<th>POTONGAN TERKUMPUL</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1</td>
<td>PERBELAJAAN RAWATAN PERUBATAN, KEPERLUAN KHAS DAN PENJAGA UNTUK IBU BAPA (KEADAAN KESIHATAN DISAHKAN OLEH PENGAMAL PERUBATAN)</td>
<td>TERHAD RM5,000</td>
</tr>
<tr>
<td>D2</td>
<td>PERALATAN SOKONGAN ASAS UNTUK KEUGAMAAN SENDIRI, SUAMI/ISTERI, ANAK ATAU IBU BAPA YANG KURANG UPAWA</td>
<td>TERHAD RM5,000</td>
</tr>
</tbody>
</table>
| D3 | YURAN PENDIDIKAN (SENDIRI):
   (i) PERINGKAT SELAIN SARJANA DAN DOKTOR FALSAFAH – BIDANG UNDANG-UNDANG, PERAKAUNAN, KEWANGAN ISLAM, TEKNIKLAL, VOKASIONAL, INDUSTRI, SAINTIFIK ATAU TEKNOLOGI MAKLUMAT; ATAU
   (ii) PERINGKAT SARJANA DAN DOKTOR FALSAFAH – SEBARANG BIDANG ATAU KURSUS PENGAJIAN | TERHAD RM5,000 | RM |
| D4 | PERBELAJAAN PERUBATAN BAGI PENYAKIT YANG SUKAR DIBUTI ATAS DIRI SENDIRI, SUAMI/ISTERI ATAU ANAK | TERHAD RM5,000 | RM |
| D5 | PEMERIKSAAN PERUBATAN PENUH ATAS DIRI SENDIRI, SUAMI/ISTERI ATAU ANAK | TERHAD RM500 | RM |
| D6 | PEMBELIAN BUKU/MAJALAH/JURNAL/PENERBITAN ILMIH (SELAIN SURatkhabar ATAU BAHAN BACAAN TERLARANG) UNTUK DIRI SENDIRI, SUAMI/ISTERI ATAU ANAK | TERHAD RM1,000 | RM |
| D7 | PEMBELIAN KOMPUTER PERIBADI UNTUK INDIVIDU (POTONGAN DIBERARKAN SEKALI DALAM SETIAP TIGA TAHUN) | TERHAD RM3,000 | RM |
| D8 | TABUNGAN BERSIH DALAM SKIM SIMPANAN PENDIDIKAN NASIONAL (JUMLAH SIMPANAN DALAM TAHUN SEMASA TOLAK JUMLAH PENGELUARAN DALAM TAHUN SEMASA) | TERHAD RM6,000 | RM |
| D9 | PEMBELIAN PERALATAN SUKAN UNTUK AKTIVITI SUKAN MENGIKUT AKTA PEMBANGUNAN SUKAN 1997 | TERHAD RM300 | RM |
| D10 | BAYARAN ALIMONI KEPADA BEKAS ISTERI | TERHAD RM3,000 | RM |
| D11 | INSURANS NYAWA | TERHAD RM6,000 (TERMASUK KWSP) | RM |
| D12 | INSURANS PENDIDIKAN DAN PERUBATAN | TERHAD RM3,000 | RM |
| D13 | SKIM PERSARAAN SWASTA DAN ANUITI TERTUNDA ('DEFERRED ANNUITY') | TERHAD RM1,000 | RM |
| D14 | FAEDAH PINJAMAN PERUMAHAN (MESI MEMENUHI SYARAT-SYARAT KELAYAKAN) | TERHAD RM10,000 | RM |

**BAHAGIAN E : AKUAN PEKERJA**

Saya mengakui bahawa semua maklumat yang dinyatakan dalam borang ini adalah benar, betul dan lengkap. Sekiranya maklumat yang diberikan tidak benar, tindakan mahkamah boleh diambil ke atas saya di bawah perenggan 113(1)(b) Akta Cukai Pendapatan 1967.

**TARIKH**

<table>
<thead>
<tr>
<th>Hari</th>
<th>Bulan</th>
<th>Tahun</th>
</tr>
</thead>
</table>

**TANDATANGAN**

---

**NOTA**

1. Borang ini hendaklah diisi oleh pekerja dan satu salinan diserahkan kepada majikan tanpa resit atau dokumen sokongan untuk tujuan pelarasan pengiraan PCB.
2. Majikan hendaklah meminta pekerja mengemukakan borang ini sekiranya pekerja pernah bekerja dengan majikan-majikan lain dalam tahun semasa.
3. Majikan hanya perlu menyimpan borang ini untuk tempoh 7 tahun. Borang ini perlu dikemukakan sekiranya diminta oleh LHDNM.
<table>
<thead>
<tr>
<th>BAHAGIAN A : MAKLUMAT MAJIKAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1  Nama Majikan</td>
</tr>
<tr>
<td>A2  No. Majikan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BAHAGIAN B : MAKLUMAT INDIVIDU</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1  Nama</td>
</tr>
<tr>
<td>B2  No. Pengenalan</td>
</tr>
<tr>
<td>B3  No. Pasport</td>
</tr>
<tr>
<td>B4  No. Cukai Pendapat</td>
</tr>
<tr>
<td>B5  No. Pekerja/No. Gaji</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BAHAGIAN C : MAKLUMAT MANFAAT BERUPA BARANGAN (MBB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1  Kereta</td>
</tr>
<tr>
<td>C2  Pemandu</td>
</tr>
<tr>
<td>C3  Kelengkapan Rumah, Perkakas dan Perlengkapan</td>
</tr>
<tr>
<td>C4  Hiburan dan Rekreasi</td>
</tr>
<tr>
<td>C5  Tukang Kebun</td>
</tr>
<tr>
<td>C6  Pembantu Rumah</td>
</tr>
<tr>
<td>C7  Manfaat Percutian</td>
</tr>
<tr>
<td>C8  Keahlian dalam Kelab Rekreasi</td>
</tr>
<tr>
<td>C9* Jumlah lain-lain manfaat yang diterima</td>
</tr>
</tbody>
</table>

*(Sila nyatakan jenis lain-lain manfaat yang diterima dalam lampiran yang berasingan)*

<table>
<thead>
<tr>
<th>BAHAGIAN D : MAKLUMAT NILAI TEMPAT KEDIAMAN (NTK) YANG DISEDIAKAN OLEH MAJIKAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1  Nilai tempat kediaman yang disediakan oleh majikan</td>
</tr>
</tbody>
</table>
BAHAGIAN E : AKUAN PEKERJA

Saya bersetuju MBB dan NTK dimasukkan sebagai sebahagian daripada saran saya mulai
bulan potongan ____ tahun potongan ______

Saya mengaku bahawa semua maklumat yang dinyatakan dalam borang ini adalah benar, betul dan lengkap. Sekiranya maklumat yang diberikan tidak benar, tindakan mahkamah boleh diambil ke atas saya di bawah perenggan 113(1)(b) Akta Cukai Pendapatan 1967.

Tarikh
Hari - - Tahun

Tandatangan

BAHAGIAN F : PERSETUJUAN MAJIKAN

Permohonan pekerja di atas dipersetujui mulai bulan potongan ____ tahun potongan ______

Tarikh
Hari - - Tahun

Nama :
Jawatan :
Alamat majikan :

NOTA PENERANGAN

1. Pemohonan memasukkan nilai MBB dan NTK sebagai sebahagian daripada saran bulanan dalam menentukan amaun PCB tertakluk kepada persetujuan majikan. Pekerja tidak boleh membatalkan pilihan bagi memasukkan MBB dan NTK sebagai sebahagian daripada saran yang tertakluk kepada PCB pada tahun semasa dengan majikan yang sama.

2. Borang ini hendaklah diisi oleh pekerja setiap tahun dan satu salinan diserahkan kepada majikan untuk tujuan pelarasan pengiraan PCB.

3. Pindaan hanya boleh dilakukan sekiranya terdapat perubahan nilai MBB dan NTK yang diberikan oleh majikan dalam tahun semasa.


6. Kaedah pengiraan MBB dan NTK untuk mendapatkan amaun bulanan adalah seperti berikut:

\[
\text{Amaun Bulanan} = \frac{\text{Nilai MBB/NTK setahun}}{\text{Baki bulan dalam setahun termasuk bulan semasa}}
\]

Contoh :

\[
\begin{align*}
\text{Manfaat Kereta setahun} & = \text{RM25,000} \\
\text{Bulan/Tahun potongan yang dipersetujui majikan} & = \text{April 2008} \\
\text{Baki bulan dalam setahun termasuk bulan semasa} & = 9 \text{ bulan} \\
\end{align*}
\]

\[
\begin{align*}
\text{Amaun Bulanan} & = \frac{\text{RM25,000}}{9} \\
& = \text{RM2,777.77}
\end{align*}
\]

* Nilai MBB/NTK setahun adalah nilai sebenar yang diterima oleh pekerja
# BAHAGIAN A : MAKLUMAT MAJIKAN

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>Nama Majikan :</td>
</tr>
<tr>
<td>A2</td>
<td>No. Majikan : E</td>
</tr>
</tbody>
</table>

# BAHAGIAN B : MAKLUMAT INDIVIDU

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>B1</td>
<td>Nama :</td>
</tr>
<tr>
<td>B2</td>
<td>No. Pengenalan :</td>
</tr>
<tr>
<td>B3</td>
<td>No. Pasport :</td>
</tr>
<tr>
<td>B4</td>
<td>No. Cukai Pendapatan :</td>
</tr>
<tr>
<td>B5</td>
<td>No. Pekerja/No. Gaji :</td>
</tr>
</tbody>
</table>

# BAHAGIAN C : MAKLUMAT POTONGAN

<table>
<thead>
<tr>
<th></th>
<th>HAD TAHUNAN</th>
<th>POTONGAN</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TERKUMPUL</td>
<td>BULAN SEMASA</td>
</tr>
<tr>
<td>C1</td>
<td>Perbelanjaan rawatan perubatan, keperluan khas dan penjaga untuk ibu bapa (keadaan kesehatan disahkan oleh pengamat perubatan) RM5,000</td>
<td>RM</td>
</tr>
<tr>
<td>C2</td>
<td>Peralatan sokongan asas untuk kegunaan sendiri, suami/isteri, anak atau ibu bapa yang kurang upaya RM5,000</td>
<td>RM</td>
</tr>
<tr>
<td>C3</td>
<td>Yuran pendidikan (sendiri): (i) peringkat selain Sarjana dan Doktor Falsafah – bidang undang-undang, perakaunan, kewangan Islam, teknikal, vokasional, industri, sains atau teknologi maklumat; atau (ii) peringkat Sarjana dan Doktor Falsafah – sebarang bidang atau kursus pengajian, RM5,000</td>
<td>RM</td>
</tr>
<tr>
<td>C4</td>
<td>Perbelanjaan perubatan bagi penyakit yang sukar diubati atas diri sendiri, suami/isteri atau anak, RM</td>
<td></td>
</tr>
<tr>
<td>C5</td>
<td>Pemeriksaan perubatan penuh atas diri sendiri, suami/isteri atau anak, RM500</td>
<td>RM</td>
</tr>
<tr>
<td>C6</td>
<td>Pembelian buku/majalah/jurnal/penerbitan ilmiah (selain suratkhabar atau bahan bacaan terlarang) untuk diri sendiri, suami/isteri atau anak, RM1,000</td>
<td>RM</td>
</tr>
<tr>
<td>C7</td>
<td>Pembelian komputer peribadi untuk individu (potongan dibenarkan sekali dalam setiap tiga tahun), RM3,000</td>
<td>RM</td>
</tr>
<tr>
<td></td>
<td>C8 Tabungan bersih dalam Skim Simpanan Pendidikan Nasional (jumlah simpanan dalam tahun semasa tolak jumlah pengeluaran dalam tahun semasa)</td>
<td>TERHAD RM6,000</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>C9 Pembelian peralatan sukan untuk aktiviti sukan mengikut Akta Pembangunan Sukan 1997</td>
<td>TERHAD RM3,000</td>
</tr>
<tr>
<td></td>
<td>C10 Bayaran alimoni kepada bekas isteri</td>
<td>TERHAD RM3,000</td>
</tr>
<tr>
<td></td>
<td>C11 Insurans nyawa</td>
<td>TERHAD RM6,000 (termasuk KWSP)</td>
</tr>
<tr>
<td></td>
<td>C12 Insurans pendidikan dan perubatan</td>
<td>TERHAD RM3,000</td>
</tr>
<tr>
<td></td>
<td>C13 Skim Persaraan Swasta dan Anuiti tertunda ('Deferred annuity')</td>
<td>TERHAD RM3,000</td>
</tr>
<tr>
<td></td>
<td>C14 Faedah pinjaman perumahan (mesti memenuhi syarat-syarat kelayakan)</td>
<td>TERHAD RM10,000</td>
</tr>
</tbody>
</table>

## BAHAGIAN D : REBAT

|   | D1 Zakat selain yang dibayar melalui potongan daripada gaji bulanan | RM |

## BAHAGIAN E : AKUAN PEKERJA

Saya mengakui bahawa semua maklumat yang dinyatakan dalam borang ini adalah benar, betul dan lengkap. Sekiranya maklumat yang diberikan tidak benar, tindakan mahkamah boleh diambil ke atas saya di bawah perenggan 113(1)(b) Akta Cukai Pendapatan 1967.

<table>
<thead>
<tr>
<th></th>
<th>Tarikh</th>
<th>Hari</th>
<th>Bulan</th>
<th>Tahun</th>
<th>Tanda Tangan</th>
</tr>
</thead>
</table>

## BAHAGIAN F : PERSETUJUAN MAJIKAN

Permohonan tuntutan pekerja di atas adalah dipersetujui bagi bulan potongan | tahun potongan |

<table>
<thead>
<tr>
<th></th>
<th>Tarikh</th>
<th>Hari</th>
<th>Bulan</th>
<th>Tahun</th>
<th>Nama</th>
</tr>
</thead>
</table>

Alamat majikan :

## NOTA

1. Permohonan ini adalah tertakluk kepada persetujuan majikan.
2. Borang ini hendaklah disi oleh pekerja dan satu salinan diserahkan kepada majikan tanpa resit atau dokumen sokongan untuk tujuan pelarasan pengiraan PCB.
3. Pekerja dibenarkan untuk membuat tuntutan potongan yang telah dibelanjakan sehingga had yang dibenarkan dalam tahun yang sama.
4. Majikan tidak perlu menyemak amaun tuntutan potongan dengan resit atau dokumen sokongan.
5. Majikan hanya perlu menyimpan borang tuntutan ini untuk tempoh 7 tahun daripada tahun tuntutan dibuat. Borang tuntutan ini perlu dikemukakan sekiranya diminta oleh LHDNM.
6. Semua resit atau dokumen yang berkaitan dengan tuntutan potongan dan rebat hendaklah disimpan oleh pekerja bersama dengan salinan borang ini untuk tempoh 7 tahun daripada tahun tuntutan dibuat.
PENYATA BAYARAN CUKAI OLEH MAJIKAN

Exhibit 4
PCB 2(II)-Pn. 2010

Kepada:
Ketua Pegawai Eksekutif/Ketua Pengarah Hasil Dalam Negeri
Lembaga Hasil Dalam Negeri Malaysia
Cawangan _______________________

Tuan,

Potongan Cukai Yang Dibuat Dalam Tahun ______________
Nama Pekerja _______________________
No. Kad Pengenalan/No. Passport _______________________
No. Cukai Pendapatan Pekerja _______________________
No. Pekerja _______________________
No. Majikan (E) _______________________

Dengan hormatnya saya merujuk kepada perkara di atas.

2. Potongan-potongan yang telah dibuat bagi pekerja di atas dalam tahun semasa adalah seperti berikut:

<table>
<thead>
<tr>
<th>Bulan</th>
<th>Amaun (RM)</th>
<th>No. Resit/No. Slip Bank/No. Transaksi</th>
<th>Tarikh Resit/Tarikh Transaksi</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PCB</td>
<td>CP38</td>
<td>PCB</td>
</tr>
<tr>
<td>Januari</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Februari</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mac</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>April</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mei</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jun</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Julai</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ogos</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>September</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oktober</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>November</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disember</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jumlah</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Potongan-potongan yang telah dibuat bagi pendapatan pekerja untuk tahun terdahulu dalam tahun semasa adalah seperti berikut:

<table>
<thead>
<tr>
<th>Jenis Pendapatan</th>
<th>Bulan</th>
<th>Tahun</th>
<th>Amaun PCB (RM)</th>
<th>No. Resit/No. Slip Bank/No. Transaksi</th>
<th>Tarikh Resit/Tarikh Transaksi</th>
</tr>
</thead>
</table>

Sekian. Terima kasih.

Nama pegawai _______________________
Jawatan _______________________
No. Telefon _______________________
Nama Dan Alamat Majikan _______________________

Borang ini boleh difotokopi

KETUA PENGARAH HASIL DALAM NEGERI
LEMBAGA HASIL DALAM NEGERI
Cawangan Pungutan Kuala Lumpur
Kaunter Bayaran Dan Tingkat 1, Blok 8A
Kompleks Bangunan Kerajaan, Jalan Duta
50600 KUALA LUMPUR

POTONGAN BAGI BULAN [ ] TAHUN [ ]

<table>
<thead>
<tr>
<th>BUTIR-BUTIR MAJIKAN</th>
<th>BUTIR-BUTIR PEMBAYARAN</th>
<th>PEGAWAI YANG MENYEDIAKAN MAKLUMAT</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. Majikan E</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. Pendaftaran</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perniagaan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nama Syarikat/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perniagaan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alamat Syarikat/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perniagaan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nombor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jawatan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tarihh</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Jumlah Potongan

Tanda tangan........................................................................................................
Nama Penuh..............................................................................................................

PCB

CP39

Amaun

No. Pengenalan...........................................................................................................

Bilangan Pekerja

Nomor

Cawangan

No. Telefon................................................................................................................

Peringatan

1. Borang ini mesti diisi dengan lengkap dan betul.
2. Majikan digalakkan menghantar maklumat potongan melalui e-PCB/e-Data PCB/disket/cakera
   padat/pemacu flash mengikut format yang ditentukan oleh LHDN bagi menggantikan Borang CP39.
3. No. Cukai Pendapatan:
   3.1 Isikan nombor cukai pendapatan dalam ruangan yang telah disediakan.
      Contoh: SG 250620300-05 (0) boleh disi sebagai SG 25062030000
   3.2 Bagi pekerja yang layak dikenakan PCB tetapi tiada nombor cukai pendapatan,
      pendaftaran boleh dibuat melalui :
      i. majikan atau pekerja boleh mendaftar secara atas talian melalui e-Daftar di www.hasil.gov.my, atau
      ii. Borang CP22 atau borang in lieu of CP39 dikemukakan ke cawangan LHDNM yang berdekatan.
4. Nama pekerja:
   Isikan nama penuh pekerja seperti di kad pengenalan/pasport (Jangan senaraikan pekerja yang
   tidak layak dikenakan potongan bagi bulan berkenaan).
   Contoh: 720403056235 atau A2172122
   CP39 - Isikan amaan potongan cukai mengikut arahan Borang CP39 (jika ada).

B PEMBERAYAN

1. Bayaran dan Borang CP39 yang telah lengkap diisi mestilah sampai ke Cawangan Pungutan LHDN selew-
   l終わnya pada hari kesepuluh bulan berikutnya. 
2. Sediakan borang CP39 bersetara cek/bank draf/kirimana wang/wang pos (instrumen bayaran) yang berasingan
   untuk bulan atau tahun berlainan.
3. Pastikan jumlah potongan PCB/CP38 adalah betul dan sama dengan nilai instrumen bayaran.
4. Instrumen bayaran hendaklah dibayar kepada Ketua Pengarah Hasil Dalam Negeri. Catatan no. majikan E,
   Nama Syarikat/Perniagaan dan alamat majikan di belakang instrumen bayaran.
5. Bayaran untuk Cukai Syarikat, Skim Asurans (CP500), Penyelesaian Cukai (Pemberhentian Kerja) dan Cukai
   Keuntungan Harta Tanah tidak boleh dibayar bersama dengan bayaran yang menggunakan borang ini.
6. Untuk bayaran bagi Negeri Sabah, sila alamatkan ke :
   Cawangan Pungutan Kota Kinabalu
   Wisma Hasil
   Jalan Tunku Abdul Rahman
   88600 Kota Kinabalu, Sabah
   93100 Kuching, Sarawak
   Untuk bayaran bagi Negeri Sarawak, sila alamatkan ke :
   Cawangan Pungutan Kota Kinabalu
   Wisma Hasil
   Jalan Tunku Abdul Rahman
   88600 Kota Kinabalu, Sabah
   93100 Kuching, Sarawak

8. Sila hubungi talian 1-800-88-LHDN (5436) untuk sebarang pertanyaan lanjut.

C PERINGATAN

1. Jika jumlah instrumen bayaran tidak sama dengan jumlah potongan, bayaran akan ditolak.
2. Sekiranya maklumat tidak lengkap dan tidak betul, majikan akan dikenakan kompensa.
<table>
<thead>
<tr>
<th>BIL.</th>
<th>NO. CUKAI PENDAPATAN</th>
<th>NAMA PENUH PEKERJA (SEPerti DI KAD PENGENALAN ATAU PASPORT)</th>
<th>NO. K/P LAMA</th>
<th>NO. K/P BARU</th>
<th>NO. PEKERJA</th>
<th>BAGI PEKERJA ASING</th>
<th>JUMLAH POTONGAN CUkAI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NO. PASPORT</td>
<td>KOD NEGARA</td>
</tr>
</tbody>
</table>

Borang CP39 boleh dipersoehi di laman web : http://www.hasil.gov.my
EXHIBIT 6
CP39A Pin. 2012

[SEKSYEN 107 AKTA CUKAI PENDAPATAN, 1967
KAEDAH CUKAI PENDAPATAN (POTONGAN DARIPADA SARAAN), 1994]

<table>
<thead>
<tr>
<th>BUTIR-BUTIR MAJIKAN</th>
<th>BUTIR-BUTIR PEMBAYARAN</th>
<th>PEGAWAI YANG MENYEDIAKAN MAKLUMAT</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. Majikan E</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. Pendaftaran</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perniagaan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nama Syarikat/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perniagaan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alamat Syarikat/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perniagaan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. Pengenalan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. Pendaftaran</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perniagaan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nama Syarikat/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perniagaan</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PERINGATAN**

1. Jika jumlah instrumen bayaran tidak sama dengan jumlah potongan, bayaran akan ditolak.
2. Sekiranya maklumat tidak lengkap dan tidak betul, majikan akan dikenakan kompaun.

**NOTA**

* Tunggakan adalah termasuk ganjaran, pampasan, komisen atau apa-apa bayaran yang dibayar kepada pekerja bagi tahun terdahulu dalam tahun semasa.
<table>
<thead>
<tr>
<th>BIL.</th>
<th>NO. CUKAI PENDAPATAN</th>
<th>NAMA PENUH PEKERJA (SEPerti DI KAD PENGENALAN ATAU PASPORT)</th>
<th>NO. K/P LAMA</th>
<th>NO. K/P BARU</th>
<th>NO. PEKERJA</th>
<th>BAGI PEKERJA ASING</th>
<th>PCB (RM)</th>
<th>CP38 (RM)</th>
<th>JUMLAH POTONGAN CUKAI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Borang CP39A boleh diperolehi di laman web : http://www.hasil.gov.my
SPECIFICATION FORMAT FOR MTD TEXT FILE DATA

File name of text file data : xxxxxxxxxxmm_yyyy.txt

- xxxxxxxxxx : Employer number
- mm : month of deduction
- yyyy : year of deduction

Header:

<table>
<thead>
<tr>
<th>No</th>
<th>Field Name</th>
<th>Start</th>
<th>End</th>
<th>Length</th>
<th>Type</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Record Type</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>Alphabet</td>
<td>H - ‘Header’</td>
</tr>
<tr>
<td>2</td>
<td>Employer No. (HQ)</td>
<td>2</td>
<td>11</td>
<td>10</td>
<td>Num</td>
<td>Right justify with zeroes</td>
</tr>
<tr>
<td>3</td>
<td>Employer No.</td>
<td>12</td>
<td>21</td>
<td>10</td>
<td>Num</td>
<td>Right justify with zeroes</td>
</tr>
<tr>
<td>4</td>
<td>Year of Deduction</td>
<td>22</td>
<td>25</td>
<td>4</td>
<td>Num</td>
<td>YYYY</td>
</tr>
<tr>
<td>5</td>
<td>Month of Deduction</td>
<td>26</td>
<td>27</td>
<td>2</td>
<td>Num</td>
<td>MM (01-12)</td>
</tr>
<tr>
<td>6</td>
<td>Total MTD Amount</td>
<td>28</td>
<td>37</td>
<td>10</td>
<td>Num</td>
<td>Right justify with zeroes and with 2 decimal point</td>
</tr>
<tr>
<td>7</td>
<td>Total MTD Records</td>
<td>38</td>
<td>42</td>
<td>5</td>
<td>Num</td>
<td>Right justify with zeroes</td>
</tr>
<tr>
<td>8</td>
<td>Total CP38 Amount</td>
<td>43</td>
<td>52</td>
<td>10</td>
<td>Num</td>
<td>Right justify with zeroes and with 2 decimal point</td>
</tr>
<tr>
<td>9</td>
<td>Total CP38 Records</td>
<td>43</td>
<td>57</td>
<td>5</td>
<td>Num</td>
<td>Right justify with zeroes</td>
</tr>
</tbody>
</table>

Transaction Record Length = 57

Transaction record (Details):

<table>
<thead>
<tr>
<th>No</th>
<th>Field Name</th>
<th>Start</th>
<th>End</th>
<th>Length</th>
<th>Type</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Record Type</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>Alphabet</td>
<td>D - 'Detail'</td>
</tr>
<tr>
<td>2</td>
<td>IncomeTax No.</td>
<td>2</td>
<td>11</td>
<td>10</td>
<td>Num</td>
<td>Right justify with zeroes</td>
</tr>
<tr>
<td>3</td>
<td>Wife code</td>
<td>12</td>
<td>12</td>
<td>1</td>
<td>Num</td>
<td>0-9</td>
</tr>
<tr>
<td>4</td>
<td>Employee's Name</td>
<td>13</td>
<td>72</td>
<td>60</td>
<td>Alphabet</td>
<td>Left justify with spaces</td>
</tr>
<tr>
<td>5</td>
<td>Old IC No.</td>
<td>73</td>
<td>84</td>
<td>12</td>
<td>Alphanum</td>
<td>A valid Old IC No. or just leave it blank if not applicable</td>
</tr>
<tr>
<td>6</td>
<td>New IC No.</td>
<td>85</td>
<td>96</td>
<td>12</td>
<td>Num</td>
<td>A valid New IC No. (without '-' ) or just leave it blank if not applicable</td>
</tr>
<tr>
<td>7</td>
<td>Passport No.</td>
<td>97</td>
<td>108</td>
<td>12</td>
<td>Alphanum</td>
<td>Left justify or just leave it blank if not applicable</td>
</tr>
<tr>
<td>8</td>
<td>Country Code</td>
<td>109</td>
<td>110</td>
<td>2</td>
<td>Alphabet</td>
<td>Refer to Country Code list</td>
</tr>
<tr>
<td>9</td>
<td>MTD Amount</td>
<td>111</td>
<td>118</td>
<td>8</td>
<td>Num</td>
<td>Right justify with zeroes and with 2 decimal point</td>
</tr>
<tr>
<td>10</td>
<td>CP38 Amount</td>
<td>119</td>
<td>126</td>
<td>8</td>
<td>Num</td>
<td>Right justify with zeroes and with 2 decimal point</td>
</tr>
<tr>
<td>11</td>
<td>Employee No. or Salary No.</td>
<td>127</td>
<td>136</td>
<td>10</td>
<td>Alphanum</td>
<td>Left justify</td>
</tr>
</tbody>
</table>

Transaction Record Length = 136
The Example of Data as required (IRB Diskette Specification)

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>5</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>H</td>
<td>0291212306</td>
<td>0291212306</td>
<td>2002</td>
<td>05</td>
<td>0000835000</td>
<td>00006</td>
<td>0000150050</td>
<td>00002</td>
</tr>
<tr>
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<tbody>
<tr>
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</tbody>
</table>

1. Record Type: H for Header

2. Employer’s No. (Headquarter)
   Please complete with 10 digits without the letter E
   Example 1: E 908915-10 have to be filled as 0090891510
   Example 2: E 6918546-05 have to be filled as 0690891510
   Example 3: E 9002135-00 have to be filled as 9000213500

3. Employer’s No.
   Same as No. 2 above

4. Year of Deduction
   Please complete the year of deduction with 4 digits
   Example: Year 2005 have to be filled as 2005

5. Month of Deduction
   Example: Month of August have to be filled as 08

6. Total MTD Amount
   Please complete the deduction amount without RM and decimal point
   Example: RM835.00 have to be filled as 0000835000

7. Total MTD Records
   The total must be tally with employees whom subject to MTD
   Example: 6 employees have to be filled as 00006

8. Total CP38 Amount
   Please complete the deduction amount without the word RM and decimal point
   Example: RM1500.50 have to be filled as 0000150050

9. Total CP38 Records
   The total must be tally with employees whom subject to MTD
   Example: 2 employees have to be filled as 00002

10. Record Type: D for Details

11. Income Tax No. and Wife code
   A. Please complete the Income Tax No. with 11 digit without SG/OG
      Example 1: SG 531367-08 (0) have to be filled as 00531367080
      Example 2: OG10544355-08 (1) have to be filled as 10544355081
   B. 1. For Male / Single Woman - the last digit is 0
      2. For Married Woman - the last digit is between 1 until 9
   C. If the income tax no. is not known, please fill as 00000000000

13. Employee’s Name
    Please complete the employee’s full name as IC / Passport

    Please complete the IC no. for local employee (if applicable)
    Example 1: Old IC No. A 4457334 have to be filled as A4457334
    Example 2: New IC No. 530706-01-5641 have to be filled as 53070615641

16. Passport No.
    Please complete the Passport No. for foreigner employee (if applicable)
    Example: J 1294567 have to be filled as J1294567

17. Country Code
    Please complete the Country Code for foreigner employee only. The code is
    for which country that has issued the passport.

18. MTD Amount and CP38 Amount
    Please complete the deduction amount without the word RM and decimal point
    Example 1: RM900.00 have to be filled as 000090000
    Example 2: RM500.50 have to be filled as 000050050

19. Employee’s No.
    Complete Employee’s No. or Salary No.
    Example: AB012283 have to be filled as AB012283
EXAMPLE OF CALCULATION

MTD Calculation for January

Employee (Married) and wife working
3 children entitle for deduction

Monthly normal remuneration for January = RM 5,500.00
EPF = RM605.00
Additional deduction = Nil
MTD paid = Nil

Additional remuneration – Bonus
Received in month of April = RM8,250.00 EPF = RM908.00

[A] Determine category of employee

Category 3 / KA3

[B] Determine chargeable income for a year [P]

Firstly determine value $K_2$

$K_2 = \text{Estimated balance of total contribution to EPF or other Approved Scheme and life insurance premium}
\text{for the balance of the qualifying month}$

$= \left[ \frac{\text{RM}6,000.00 \text{ (limited)} - (K + K_1 + K_t)}{n} \right] \text{or} K_1, \text{whichever is lower}$

$= \left[ \frac{\text{RM}6,000.00 - (\text{RM}0.00 + \text{RM}605.00 + \text{RM}0.00)}{11} \right]$  

$= \text{RM} 490.45$

*Total EPF = $K + K_1 + K_t + (K_2 \times n) \leq \text{RM} 6,000.00 \text{ (limit)}$

= $\text{RM}0.00 + \text{RM}605.00 + \text{RM}0.00 + (\text{RM}490.45 \times 11) \leq \text{RM} 6,000.00 \text{ (limit)}$

= $\text{RM}605.00 + \text{RM}5,394.95 \leq \text{RM} 6,000.00 \text{ (limit)}$

= $\text{RM}5,999.95 \leq \text{RM} 6,000.00 \text{ (limit)}$

where;  $n = 11$

$P = \left[ \sum (Y_i - K^*_i) + (Y_t - K_t^*) + [(Y_2 - K_2^*) \times n] + (Y_1 - K_1^*) \right] - [D+S+1000C+(\sum LP + LP_1)]$

Where $(Y_i - K_i) = 0$

$= \left[ \sum (\text{RM}0.00 - \text{RM}0.00) + (\text{RM}5,500.00 - \text{RM}605.00) + [(\text{RM}5,500.00 - \text{RM}490.45) \times 11] + (\text{RM}0.00 + \text{RM}0.00) \right] - [\text{RM}9,000.00 + \text{RM}0.00 + \text{RM}1,000.00(3) + (\text{RM}0.00 + \text{RM}0.00)]$

$= \left[ \text{RM}4,895.00 + [1 \times (\text{RM}5,009.55 \times 11)] - [\text{RM}9,000.00 + \text{RM}3,000.00] \right]$

$= \text{RM}4,895.00 + \text{RM}55,105.05 - \text{RM}12,000.00$

$= \text{RM}48,000.05$

[C] Determine monthly MTD for net normal remuneration. Once value of $P$ in Step [B] is determined, value of $M$, $R$ and $B$ are determined based on Schedule 1 above.

$\text{MTD for current month} = \left[ \frac{(P - M) \times R + B}{n + 1} \right] - (Z + X)$
MTD Calculation for February

Employee (Married) and wife working
3 children entitled for deduction

Monthly normal remuneration for February = RM 5,500.00
EPF = RM605.00
Additional deduction = Nil
MTD paid = January - RM219.20

[A] Determine category of employee

Category 3 / KA3

[B] Determine chargeable income for a year \([P]\)

Firstly determine value \(K_2\)

\(K_2 = \text{Estimated balance of total contribution to EPF or other Approved Scheme and life insurance premium for the qualifying monthly balance}
\)

\[= \left[ \left( \text{RM6,000.00 (limited)} - \left( K + K_1 + K_t \right) \right) / n \right] \text{or } K_1, \text{ whichever is lower}\]

\[= \left[ \left( \text{RM6,000.00} - (\text{RM605.00 + RM605.00 + RM0.00}) \right) / 10 \right] = \text{RM 479.00}\]

*Total EPF = \(K + K_1 + K_t + (K_2 \times n) \leq \text{RM 6,000.00 (limit)}\)

\[= \text{RM605.00 + RM605.00 + RM0.00 + (RM479.00 \times 10) \leq \text{RM 6,000.00 (limit)}\]

\[= \text{RM605.00 + RM605.00 + RM4,790.00 \leq RM 6,000.00 (limit)}\]

where; \(n = 10\)

\[P = \left[ (Y - K^*) + (Y_1 - K_1^*) + [(Y_2 - K_2^*) \times n] + (Y_1 - K_1^*) \right] - \left[ D+S+1000C+(\sum LP + LP_1) \right]

\[= \left[ (\text{RM5,500.00 - RM605.00}^*) + (\text{RM5,500.00 - RM605.00}^*) + [(\text{RM5,500.00 - RM479.00}^*) \times 10] + (\text{RM0.00 + RM0.00}) \right] - \left[ \text{RM9,000.00 + RM0.00 + RM1,000.00(3) + (RM0.00 + RM0.00)} \right]

\[= \text{RM4,895.00} + \text{RM4,895.00} + [(\text{RM5,021.00 \times 10})] - \text{RM9,000.00 + RM3,000.00]}

\[= \text{RM 4,895.00 + RM4,895.00 + RM50,210.00 - RM12,000.00}

\[= \text{RM48,000.00}\]

[C] Determine monthly MTD for net normal remuneration. Once value of \(P\) in Step [B] is determined, value of \(M\), \(R\) and \(B\) are determined based on Schedule 1 above.

\[\text{MTD for current month} = \left( \frac{(P - M) \times R + B}{n} \right) - (Z + X)\]
\[
= \frac{(RM48,000.00 - RM35,000.00) \times 11\% + RM1,200.00 - (RM0.00 + RM219.20)}{10 + 1}
\]

\[
= RM219.16 \approx RM219.20
\]

**MTD Calculation for Mac**

Employee (Married) and wife working
3 children entitle for deduction

| Monthly normal remuneration for Mac | = RM 5,500.00 |
| EPF | = RM605.00 |
| Additional remuneration | = Nil |
| Additional deduction | i) Purchase of books | = RM100.00 |
| | ii) Medical expenses for parent | = RM200.00 |
| | | = RM300.00 |
| MTD paid | = January until February – RM438.40 |

-----------------------------------------------------------------------------------------------------------------------------

[A] Determine category of employee

Category 3 / KA3

[B] Determine chargeable income for a year [P]

Firstly determine value \(K_2\)

\[K_2 = \text{Estimated balance of total contribution to EPF or other Approved Scheme and life insurance premium for the qualifying monthly balance}
\]

\[= \left[ \frac{\text{RM6,000.00 (limited)} - (K + K_1 + K_2)}{n} \right] \text{ or } K_1, \text{ whichever is lower}
\]

\[= \left[ \frac{\text{RM6,000.00} - (\text{RM605.00 x 2}) + \text{RM605.00} + \text{RM0.00}}{9} \right]
\]

\[= \text{RM 465.00}
\]

*Total EPF

\[= K + K_1 + (K_2 \times n) \leq \text{RM 6,000.00 (limit)}
\]

\[= (\text{RM605.00 x 2}) + \text{RM605.00} + \text{RM0.00 + (RM465.00 x 9)} \leq \text{RM 6,000.00 (limit)}
\]

\[= \text{RM1,210.00 + RM605.00 + RM4,185.00 \leq RM 6,000.00 (limit)}
\]

\[= \text{RM6,000.00 \leq RM 6,000.00 (limit)}
\]

where; \(n = 9\)

\[P = \left[ \sum (Y_i - K_1^* +) + (Y_i - K_1^*) + (Y_i - K_2^*) + n \right] - \left[ D + S + 1000C + (\sum LP + LP_1) \right]
\]

Where \((Y_i - K_1) = 0\)

\[= \left[ \left( \text{RM11,000.00 - RM1,210.00} \right) + \left( \text{RM5,500.00 - RM605.00} \right) + \left[ \left( \text{RM5,500.00 - RM465.00} \right) \times 9 \right] + (\text{RM0.00 + RM0.00}) \right] - \left[ \text{RM9,000.00 + RM0.00 + RM1,000.00 + (RM3,000.00 + RM300.00)} \right]
\]

\[= \left[ \text{RM9,790.00 + RM4,895.00} + \left[ \text{RM5,035.00 x 9} \right] \right] - \left[ \text{RM9,000.00 + RM3,000.00 + RM300.00} \right]
\]

\[= \text{RM60,000.00} - \text{RM12,300.00}
\]

\[= \text{RM47,700.00}
\]

[C] Determine monthly MTD for net normal remuneration. Once value of \(P\) in Step [B] is determined, value of \(M, R\) and \(B\) are determined based on Schedule 1 above.
MTD for current month = \[(P - M) \times R + B\] \div (Z + X)

= \[\frac{[RM7,700.00 - RM35,000.00] \times 11\% + RM1,200.00 - (RM0.00 + RM438.40)}{9 + 1}\]

= RM215.86 ≈ RM215.90

**MTD Calculation for April (receive additional remuneration – using Additional Remuneration Formula)**

Employee (Married) and wife working
3 children entitle for deduction

Monthly normal remuneration for April = RM5,500.00
EPF = RM605.00
Additional remuneration = Nil
Additional deduction
i) Purchase of books = RM100.00
ii) Medical expenses for parent = RM200.00

RM300.00

MTD paid = January until March - RM654.30

Additional Remuneration – Bonus = RM8,250.00  EPF = RM908.00

**Step 1 – Determine MTD on net remuneration for a year (not including current month’s additional remuneration)**

[A] Determine category of employee.

Category 3 / KA3

[B] Determine chargeable income for a year [P];

Firstly determine value \(K_2\)

\(K_2 = \text{Estimated balance of total contribution to EPF or other Approved Scheme and life insurance premium for the balance of the qualifying month}\)

= \[\frac{[RM6,000.00 (limited) - (K + K_1 + K_2)]}{n}\] or \(K_1\), whichever is lower

= \[\frac{[RM6,000.00 - (RM605.00 \times 3) + RM605.00 + RM0.00]}{8}\]

= RM 447.50

*Total EPF

\(= K + K_1 + K_2 \times n \leq RM 6,000.00\) (limit)

\(= (RM605.00 \times 3) + RM605.00 + RM0.00 + (RM447.50 \times 8) \leq RM 6,000.00\) (limit)

\(= RM1,815.00 + RM605.00 + RM3,580.00 \leq RM 6,000.00\) (limit)

\(= RM6,000.00 \leq RM 6,000.00\) (limit)

where; \(n = 8\)

\(P = \sum(Y - K^*) + (Y_1 - K_1^*) + [(Y_2 - K_2^*) \times n] + (Y_1 - K_1^*) - [D + S + 1000C + (\sum LP + LP_1)]\)

Where; \((Y_1 - K_1) = 0\)
\[= (RM16,500.00 - RM1,815.00^{*}) + (RM5,500.00 - RM605.00^{*}) + [(RM5,500.00 - RM447.50^{*}) \times 8] + (RM0.00 + RM0.00) - [RM9,000.00 + RM0.00 + RM1,000.00(3) + (RM300.00 + RM300.00)]
\]= [RM14,685.00 + RM4,895.00 + RM40,420.00] - [RM9,000.00 + RM3,000.00 + RM300.00 + RM300.00]
\]= RM60,000.00 - RM12,600.00
\]= RM47,400.00

[C] Determine monthly MTD for net normal remuneration. Once value of \(P\) in Step [B] is determined, value of \(M, R\) and \(B\) are determined based on Schedule 1 above.

MTD for current month = \(\frac{(P - M) \times R + B - (Z + X)}{n + 1}\)

\[= [RM47,400.00 - RM35,000.00] \times 11\% + RM1,200.00 - (RM0.00 + RM654.30)\]
\[= RM212.18\]

Net MTD = MTD for current month – zakat for current month
\]= RM212.18 - RM0.00
\]= RM212.18

[D] Determine total MTD for a year

Total MTD for a year = Total paid accumulated MTD + [MTD for current month at Step [C] \times \text{remaining month in a year including current month}]
\]= X + [(MTD for current month at Step [C] \times (n + 1)]
\]= RM654.30 + [(RM212.18 \times (8 + 1))]
\]= RM654.30 + RM1,909.62
\]= RM2,563.92

Step 2 – Determine chargeable income for a year \([P]\) (including additional remuneration for current month) and additional remuneration which has been paid.

[A] Determine category of employee.

Category 3 / KA3

[B] Determine chargeable income for a year \([P]\):

Firstly determine value \(K_2\)

\[K_2 = \text{Estimated balance of total contribution to EPF or other Approved Scheme and life insurance premium for the qualifying monthly balance} = \left[\frac{[RM6,000.00 (limited) - (K + K_1 + K_t)]}{n}\right] \text{or } K_t, \text{ whichever is lower} = \left[\frac{[RM6,000.00 - (RM605.00 \times 3) + RM605.00 + RM908.00]}{8}\right]
\]= RM 334.00

*Total EPF = \(K + K_1 + K_t + (K_2 \times n) \leq RM 6,000.00 \text{ (limit)}\)
\]= (RM605.00 \times 3) + RM605.00 + RM908.00 + (RM334.00 \times 8) \leq RM 6,000.00 \text{ (limit)}
\]= RM1,815.00 + RM605.00 + RM908.00 + RM2,672.00 \leq RM 6,000.00 \text{ (limit)}
= RM6,000.00 ≤ RM 6,000.00 (limit)

\[
P = \left[ \sum (Y_i - K_i) + \sum (Y_1 - K_1) \right] - \left[ D + S + 1000C + \sum (P + LP) \right] = \left[ (RM16,500.00 - RM1,815.00) + (RM5,500.00 - RM605.00) + [(RM5,500.00 - RM334.00) \times 8] + (RM8,250.00 - RM908.00) - [RM9,000.00 + RM0.00 + RM1,000.00(3) + (RM300.00 + RM300.00)] \right]
\]
\[
= [RM14,685.00 + RM4,895.00 + RM41,328.00 + RM7,342.00] - [RM9,000.00 + RM0.00 + RM3,000.00 + RM600.00]
\]
\[
= RM 68,250.00 - RM12,600.00
\]
\[
= RM55,650.00
\]

**Step 3 – Determine total tax for a year based on value of P in Step 2[B]. Value of M, R and B are based on value as per Schedule 1 below:**

Total tax for a year

\[
= (P - M) \times R + B
\]
\[
= (RM55,650.00 - RM50,000.00) \times 19\% + RM2,850.00
\]
\[
= RM3,923.50
\]

**Schedule 1: Value of P, M, R and B**

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<th>P (RM)</th>
<th>M (RM)</th>
<th>R (%)</th>
<th>B Category 1 &amp; 3 (RM)</th>
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<td>13,850</td>
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**Step 4 – Determine MTD for current month additional remuneration where total tax (Step 3) less total MTD for a year (Step 1[D]), zakat which has been paid**

MTD for additional remuneration

\[
= \text{Step 3} - [\text{Step 1[D]} + \text{zakat which has been paid}]
\]
\[
= RM3,923.50 - [RM2,563.92 + RM0.00]
\]
\[
= RM1,359.58
\]

**Step 5 – MTD for current month which shall be paid**

\[
= \text{Net MTD} + \text{MTD for current month on additional remuneration}
\]
\[
= \text{Step 1[C]} + \text{Step 4}
\]
\[
= RM212.18 + RM1,359.58
\]
\[
= RM1,571.76 \approx \text{RM1,571.80}
\]

**NOTE:**

MTD Calculation for month of May until December is as per example above. Total remuneration, MTD paid and the deductions/rebates will be accumulated and brought forward from month to month until month of December in a current year.