

**HK-3:**

**TAX DEDUCTION UNDER SECTION 51 OF FINANCE ACT 2007 (DIVIDENDS)**

Name

Income Tax No. 



 I/C No.

Year of Assessment 



 Business Registration No.

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

**A. List of dividend income:**

No.	Date of Payment	For Year Ended	Warrant No. / Serial No.	Name of Company	Gross Dividend		Tax Rate	Tax Deducted		Net Dividend	
					RM	sen		RM	sen	RM	sen
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
<b>TOTAL NET DIVIDEND</b>											
<b>Total Regrossed</b>											

X [ amount from B(i) ]

Y [ amount from B(ii) ]

Note: Proceed with the computation overleaf if the rate of tax deducted on dividend received as per voucher/certificate differs from the tax rate for current year of assessment

**B. Computation of regressed dividend and tax deemed deducted**

If the rate of tax deducted as per dividend voucher/certificate differs from the current year's tax rate for corporations, please use the following formula to regress the net dividend received and compute the tax deemed deducted:-

(i) Dividend regressed (X)

$$\begin{aligned} &= \text{Net dividend} \quad \times \quad \frac{1}{(1 - Z^*)} \\ &= \frac{\text{Net dividend}}{(1 - Z^*)} \\ &= \quad \mathbf{(X)} \end{aligned}$$

Enter the amount of regressed dividend in column 'X' under 'Gross Dividend'.

(ii) Tax deemed deducted (Y)

$$\begin{aligned} &= \quad \mathbf{X} \quad \times \quad \mathbf{Z^*} \\ &= \quad \mathbf{(Y)} \end{aligned}$$

\* Where Z is the current year's tax rate for corporations.

**C. Computation of statutory income from dividends**

(i) Gross dividend (X)

**Less:**

(ii) Interest on loan employed in the production of gross dividend income

(iii) Statutory Income

**D. Tax deduction under section 51 of Finance Act 2007 (dividends)**  
(as per amount Y above)