

Tax Alert

Voluntary Disclosure and Amnesty Program

25 February 2022



Welcome to Tax Alert, a newsletter about the latest tax updates and information issued by Grant Thornton Taxation Sdn Bhd.

Grant Thornton Taxation Sdn Bhd offers a comprehensive range of tax services through our team of dedicated tax specialists. Our team has a vast amount of expertise that enables us to pro-actively bring practical, cost-effective tax solutions to our clients and to add value.

Whether you are an individual or a corporation, a well-established business or a growing operation, we are able to offer you a multitude of domestic and international tax services.

Our expertise:

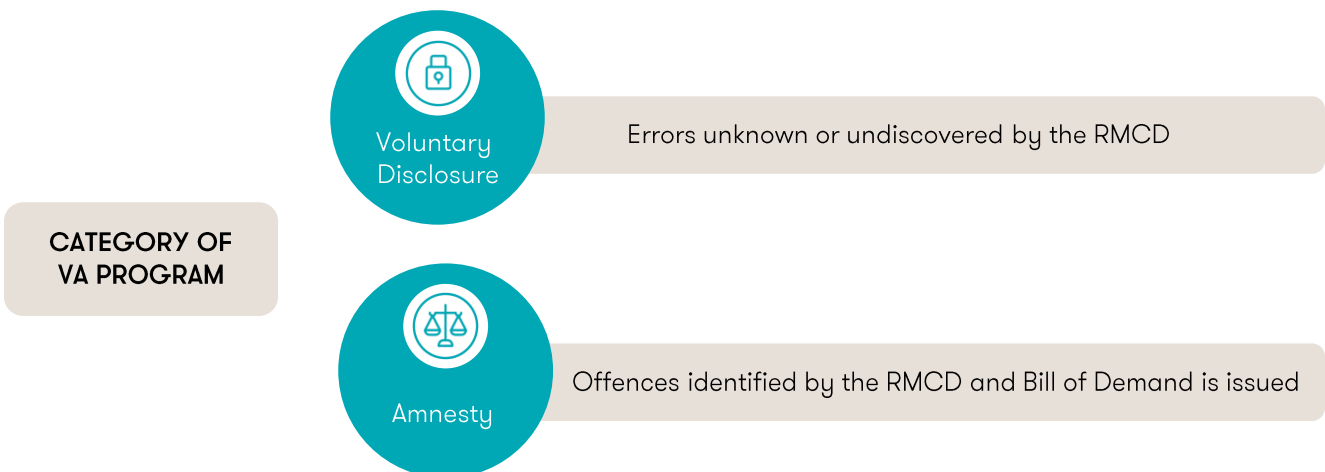
- Tax Compliance
- Tax Consultancy & Advisory
- Tax Audit & Investigation
- Tax Incentives Application
- Transfer Pricing
- International Tax
- Global Mobility
- Business Processing
- Indirect Tax
 - Sales Tax and Service Tax
 - Goods and Services Tax
- Tax Training & Seminar
- Employment & Professional Permit Applications

This publication is published as a service to our clients, associates and other interested parties. Please be advised that the information contained herein is for general guidance only. Any reader intending to base a decision on information contained in this publication is advised to consult us before proceeding.



Voluntary Disclosure and Amnesty Program

Voluntary Disclosure and Amnesty Program (“VA Program”) has been introduced by the Royal Malaysian Customs Department (“RMCD”) to encourage taxpayers to voluntarily declare any duty/tax/levy/penalty/surcharge liabilities that remain outstanding on or before 31 October 2021 or erroneously reported.



Voluntary Disclosure and Amnesty Program

DURATION AND INCENTIVES

Phase 1

1 January 2022 – 30 June 2022
(6 months)



Up to 100% penalty remission for first phase



Up to 30% tax remission for first phase

Phase 2

1 July 2022 – 30 September 2022
(3 months)



Up to 80% penalty remission for second phase



Up to 15% tax remission for second phase

Voluntary Disclosure and Amnesty Program

Examples of persons eligible to participate in VA Program

Persons	Non-compliances (non-exhaustive)
Registered person	<ul style="list-style-type: none"> • Incorrectly submitted NIL return • Did not submit a return • Under declared and underpaid tax / levy • Wrongly charged Sales Tax, Service Tax or GST
Company / individual liable to be registered but failed to register	<ul style="list-style-type: none"> • Has charged tax / levy but has not paid to the RMCD • Did not collect tax / levy from customers
Company / individual not liable to be registered	<ul style="list-style-type: none"> • Has collected tax / levy but has not remitted to the RMCD
Company acquired imported taxable services	<ul style="list-style-type: none"> • Has not accounted for GST / Service Tax
Sales Tax registrant (under Sales Tax Act 1972 or Sales Tax Act 2018)	<ul style="list-style-type: none"> • Incorrect sales tax valuation / declaration for sales between related parties
Company / individual who obtained duty / tax exemptions / facilities	<ul style="list-style-type: none"> • Did not fulfil the prescribed conditions
Importer / exporter / local excise manufacturer / Licensed Manufacturing Warehouse / Licensed Warehouse	<ul style="list-style-type: none"> • Underpaid duty / tax during import & export declaration of goods • Incorrect tariff code used during declaration • Errors while utilising any exemption facilities • Made amendments to the cost of goods in determining the excise value
Importer of new / classic / used CBU cars	<ul style="list-style-type: none"> • Violation of certain terms and conditions • Under-declaration of vehicle value leading to under-payment of duty / tax
Local manufacturer of CKD cars	<ul style="list-style-type: none"> • Excise duty not paid on vehicles not sold for more than 4 years
Importer who are connected to Multinational Enterprise (MNE)	<ul style="list-style-type: none"> • Incorrect import valuation • Not adjusting for duty / tax as required

Voluntary Disclosure and Amnesty Program

PAYMENT DEADLINE

Phase 1

Full payment of duty/levy/penalty/surcharge must be made before or on 30 June 2022

Phase 2

Full payment of duty/levy/penalty/surcharge must be made before or on 30 September 2022

COMPOUND

RM1,000

Voluntary disclosure of RM100,000 and above



To be paid within
14 days
from the date of
compound letter

RM500

Voluntary disclosure of less than RM100,000

Contact us

Find out how Grant Thornton can help you with your taxation matters.



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