

UNDANG-UNDANG MALAYSIA

Akta 323

AKTA KEWANGAN (No. 2) 1985



Beta bersetuju

A stylized signature of the Yang di-Pertuan Agong.

.....
Yang di-Pertuan Agong

31hb Disember 1985

UNDANG-UNDANG MALAYSIA

Akta 323

AKTA KEWANGAN (No. 2) 1985

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UNDANG-UNDANG MALAYSIA

Akta 323

AKTA KEWANGAN (No. 2) 1985

Suatu Akta untuk meminda Akta Cukai Pendapatan 1967, Akta Cukai Pendapatan Tambahan 1967, Akta Cukai Keuntungan Harta Tanah 1976, Akta Cukai Pemindahan Syer (Syarikat Berasaskan Tanah) 1984 dan Akta Petroleum (Cukai Pendapatan) 1967 dan bagi membuat peruntukan mengenai perkara-perkara yang berkaitan dengannya.

[]

MAKA INILAH DIPERBUAT UNDANGUNDANG oleh Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong dengan nasihat dan persetujuan Dewan Negara dan Dewan Rakyat yang bersidang dalam Parlimen, dan dengan kuasa daripadanya, seperti berikut

BAB I

PERMULAAN

1. Akta ini bolehlah dinamakan Akta Kewangan (No. 2) 1985 dan hendaklah berkuatkuasa atau disifatkan telah berkuatkuasa sebagaimana diperuntukkan dalam Akta ini.
2. Akta Cukai Pendapatan 1967, Akta Cukai Pendapatan Tambahan 1967, Akta Cukai Keuntungan Harta Tanah 1976, Akta Cukai Pemindahan Syer (Syarikat Berasaskan Tanah) 1984 dan Akta Petroleum (Cukai Pendapatan) 1967 adalah masing-masingnya dipinda mengikut cara yang masing-masingnya dinyatakan dalam Bab II, III, IV, V dan VI.

Tajuk ringkas dan mula berkuatkuasa,

Pindaan Akta-Akta. Akta 53, Akta 54, Akta 169, Akta 310, 45/67,

BAB II

PINDAAN KEPADA AKTA CUKAI PENDAPATAN 1967

Mula
berkuat-
kuasanya
pindaan
kepada Akta
Cukai
Pendapatan
1967.

3. (1) Kecuali seksyen 4 (a), 4 (b), 4 (d), 6 (a), 6 (b), 7 (b), 7 (c), 8, 17, 18, 19, 22, 23 dan 24 (b), peruntukan- peruntukan dalam Bab ini hendaklah berkuatkuasa bagi tahun taksiran 1986 dan tahun-tahun taksiran yang berikutnya.

(2) Seksyen 4 (d) hendaklah berkuatkuasa bagi tahun taksiran 1984 dan tahun-tahun taksiran yang berikutnya.

(3) Seksyen 23 hendaklah berkuatkuasa bagi tahun taksiran 1985 dan tahun-tahun taksiran yang berikutnya.

(4) Seksyen 6 (a), 6 (b), 7 (b), 7 (c) dan 22 hendaklah berkuatkuasa bagi tahun taksiran 1987 dan tahun-tahun taksiran yang berikutnya.

(5) Seksyen 4 (a), 4 (b), 8, 17 dan 19 hendaklah disifatkan telah mula berkuatkuasa pada 25hb Oktober 1985.

(6) Seksyen 24 (b) hendaklah disifatkan telah mula berkuatkuasa pada 25hb Oktober 1986

Dengan syarat bahawa dalam mana perjanjian pinjaman jangka panjang

(i) telah diikat dan wang yang dipinjamkan atau didepositkan di Malaysia telah diremitkan ke Malaysia sebelum 25hb Oktober 1985 atau telah diikat dan baginya kebenaran telah diberi oleh Pengawal Pertukaran Asing di bawah Akta Kawalan Pertukaran 1953 pada atau sebelum 25hb Oktober 1985; dan

(ii) terma, syarat atau jangkamasa pinjaman jangka panjang telah tidak diubahkan dengan apa jua cara pada atau selepas 25hb Oktober 1985,

bunga yang dibayar atau dikreditkan atas pinjaman itu hendaklah terus dikecualikan selama jangkamasa pinjaman itu walaupun ditarik balik pengecualian yang diperuntukkan dalam perenggan 31 Jadual 6 kepada Akta Cukai Pendapatan 1967.

KEWANGAN (No. 2)

9

(7) Seksyen 18 hendaklah mula berkuatkuasa pada lhb Januari 1986.

Pindaan
seksyen 2.
Akta 53.

4. Seksyen 2 Akta Cukai Pendapatan 1967, yang disebut "Akta ibu" dalam Bab ini, adalah dipinda

(a) dengan menggantikan tafsiran "approved loan" dalam subseksyen (1) dengan yang berikut

' "approved loan" means any loan or credit made to the Government, State Government (including any loan or credit made to a person other than the Government or State Government where the loan or credit is guaranteed by the Government or State Government), local authority or statutory body by a person not resident in Malaysia where the loan or credit agreement was executed in Malaysia or where the loan or credit agreement was executed outside Malaysia with the prior approval of the Minister;'

(b) dengan memotong tafsiran "long-term loan" dalam subseksyen (1);

(c) dengan memotong tafsiran "shareholders' funds" dalam subseksyen (1); dan

(d) dengan memasukkan selepas sahaja subseksyen (6), subseksyen bare (7) yang berikut

"(7) Any reference in this Act to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the Syariah."

5. Seksyen 3A Akta ibu adalah dipinda dengan menggantikan perenggan (a) dengan perenggan baru (a) yang berikut
"(a) a company, two million ringgit;"

Pindaan
seksyen 3A.

6. Seksyen 5 Akta ibu adalah dipinda

(a) dengan menggantikan noktah di akhir subseksyen (1) dengan noktah bertindih;

Pindaan
seksyen 5.

- (b) dengan memasukkan proviso baru yang berikut kepada subseksyen (I):

"Provided that in ascertaining the chargeable income of an individual resident in Malaysia there shall be excluded the income consisting of interest accruing in or derived from Malaysia and received from a person referred to in subsection (4) of section 109c in respect of interest paid or credited to that individual."; dan

- (c) dengan menggantikan subseksyen (3) dengan yang berikut

"(3) In ascertaining the chargeable income of any person for the purpose of section 3A there shall not be taken into account any statutory income or adjusted loss in respect of petroleum operations by a petroleum company and dividends paid by a petroleum company out of its income derived from its petroleum operations within the meaning of the Petroleum (Income Tax) Act 1967."

45/67.

Pindaan
seksyen 6.

7. Subseksyen (1) seksyen 6 Akta ibu adalah dipinda

- (a) dengan memotong perkataan-perkataan "or long-term loan" dalam subperenggan (i) perenggan (b);
- (b) dengan menggantikan noktah di akhir perenggan (e) dengan koma bertitik; dan
- (c) dengan memasukkan selepas sahaja perenggan
- (e), perenggan baru (f) yang berikut:

"(f) subject to the provisions of section 109c but notwithstanding any other provisions of this Act, income tax shall be charged for each year of assessment upon the income of an individual resident in Malaysia which consists of interest (other than interest exempt from tax under this Act or any order made thereto) accruing in or derived from Malaysia and

received from a person referred to in subsection (4) of section 109c at the appropriate rate as specified under Part VI of Schedule 1."

8. Subseksyen (I) seksyen 13 Akta ibu adalah dipinda dengan menggantikan proviso kepada subperenggan (ii) perenggan (b) dengan yang berikut:

Pindaan
seksyen 13.

"Provided that the benefit or amenity enjoyed under this subparagraph is confined only to the employee and members of his immediate family."

9. Seksyen 18 Akta ibu adalah dipinda

(a) dengan memasukkan selepas sahaja tafsiran "harvesting", tafsiran barn "insurance" yang berikut

Pindaan
seksyen 18.

Act312 "insurance" includes a takaful scheme pursuant to the Takaful Act1984; dan

(b) dengan memasukkan selepas sahaja tafsiran "plantation", tafsiran baru "premiums" yang berikut

Act312 "premiums" in relation to insurance, includes contributions or instalments payable under a takaful scheme pursuant to the Takaful Act 1984;'

10. Seksyen 44 Akta ibu adalah dipinda

Pindaan
seksyen 44.

(a) dengan menggantikan noktah di akhir subseksyen (6) dengan noktah bertindih; dan

(b) dengan memasukkan selepas sahaja subseksyen (6), proviso barn yang berikut:

"Provided that where the statutory income from an employment, pension or profession falls to be assessed in the name of an individual's wife for the relevant year pursuant to section 45 (4), there shall be deducted from such statutory income or the aggregate of such statutory income, as the case may be, an amount equal to any gift of money of the kind mentioned in this subsection, made by her in the basis year for that year."

Pindaan
seksyen 45.

11. Seksyen 45 Akta ibu adalah dipinda

- (a) dengan memasukkan selepas sahaja perkataan-perkataan "income from employment" dalam subseksyen (4) perkataan-perkataan ", from pension granted on optional retirement from employment under any written law";
- (b) dengan menggantikan subseksyen (5) dengan yang berikut:

"(5) Notwithstanding any other provisions of this Act, where under subsection (4) the wife's income from an employment, pension or profession falls to be assessed for a year of assessment in her name

(a) her total income falling to be aggregated with that of her husband under subsection (2) for that year of assessment shall be reduced by the amount of statutory income from such employment, pension or profession and she shall be treated as having no chargeable income for that year of assessment in regard to that part of her total income which is aggregated with that of her husband; and

(b) the income assessed in her name shall be the amount of statutory income from such employment, pension or profession or the aggregate of such statutory income, as the case may be, reduced by any deduction falling to be made pursuant to section 44 (6)."; dan

- (c) dengan memasukkan selepas sahaja perkataan-perkataan "income from employment" dalam subseksyen (6), koma dan perkataan "pension".

Pindaan
seksyen 47.

12. Seksyen 47 Akta ibu adalah dipinda dengan memasukkan selepas sahaja perkataan-perkataan "income from her employment" dalam subseksyen (4), koma dan perkataan "pension".

13. Subseksyen (1) seksyen 48 Akta ibu adalah dipinda dengan memasukkan selepas sahaja perkataan-perkataan "income from her employment" dalam proviso, koma dan perkataan "pension". Pindaan seksyen 48.
14. Subseksyen (1) seksyen 49 Akta ibu adalah dipinda dengan memasukkan selepas sahaja perkataan-perkataan "income from her employment" dalam proviso, koma dan perkataan "pension". Pindaan seksyen 49.
15. Seksyen 50 Akta ibu adalah dipinda dengan memasukkan selepas sahaja perkataan-perkataan "from her employment" dalam subseksyen (4), koma dan perkataan "pension". Pindaan seksyen 50.
16. Akta ibu adalah dipinda dengan memasukkan selepas sahaja seksyen 60A, seksyen baru 60AA yang berikut seksyen baru 60AA.
- "Application of sections 60 and 60A to a takaful business. Art 312. 60AA. The provisions of sections 60 and 60A shall apply, mutatis mutandis, to a takaful business carried on pursuant to the Takaful Act 1984."
17. Seksyen 109 Akta ibu adalah dipinda dengan memotong perkataan-perkataan "or long-term loan" dalam subseksyen (I). Pindaan seksyen 109.
18. Akta ibu adalah dipinda dengan memasukkan selepas sahaja seksyen 109B, seksyen baru 109c yang berikut Seksyen baru 109c.
- "Deduction of tax from interest paid to a resident.
- 109c. (1) Where any person (in this section referred to as "the payer") is liable to pay interest (other than interest exempt from tax under this Act or any order made thereto) accruing in or derived from Malaysia to an individual resident in Malaysia, he shall upon paying or crediting such interest deduct therefrom tax at the rate applicable to such interest, and (whether or not that tax is so deducted) shall within one month after paying or crediting the interest render an account and pay the amount of that tax to the Director General:
- Provided that the Director General may under special circumstances, allow extension of time for tax deducted to be paid over.

(2) Where the payer fails to pay any amount due from him under subsection (1), the amount which he fails to pay shall be a debt due from him to the Government and shall be payable forthwith to the Director General.

(3) Where in pursuance of this section any amount is paid to the Director General by the payer and if the payer has not deducted that amount in paying the payment under subsection (1) with respect to which the amount relates, he may recover that amount from that individual as a debt due to the payer.

Act 102.
Act 276.
Act 6.

(4) In this section "person" refers to a bank licensed under the Banking Act 1973 or the Islamic Banking Act 1983, a finance company licensed under the Finance Companies Act 1969, a registered co-operative society, Bank Pertanian Malaysia, Lembaga Urusan dan Tabung Haji, Malaysia Building Society Berhad, or any other institution that may be approved by the Minister."

Pindaan
seksyen
136.

19. Seksyen 136 Akta ibu adalah dipinda

(a) dengan menggantikan noktah di akhir subseksyen (4) dengan noktah bertindih; dan

(b) dengan memasukkan selepas sahaja subseksyen (4), proviso baru yang berikut

"Provided that the Director General may by writing under his hand authorize any Senior Assistant or Assistant Directors of Inland Revenue (subject to any exceptions or limitations contained in the authorization) to exercise his function under section 123."

Pindaan
Bahagian
II Jadual 1.

20. Butiran 1 Bahagian II Jadual 1 kepada Akta ibu adalah dipinda

(a) dengan memotong perkataan-perkataan "or long-term loan"; dan

(b) dengan menggantikan perkataan-perkataan "15%" di bawah ruang "Rate of income tax" dengan perkataan-perkataan "20%".

21. Jadual 1 kepada Akta ibu adalah dipinda dengan menggantikan Bahagian III dengan yang berikut

Pindaan Bahagian III Jadual 1.

PART III

Excess profit tax shall be charged for each year of assessment at the rate of:

- (1) In the case of a company 3 per cent
- (2) In the case of any other person 5 per cent."

22. Jadual 1 kepada Akta ibu adalah dipinda dengan memasukkan selepas sahaja Bahagian V, Bahagian VI baru yang berikut:

Bahagian VI baru kepada Jadual 1.

"

PART VI

Notwithstanding Part I, income tax shall be charged on the income of an individual resident in Malaysia consisting of interest (other than interest exempt under this Act or any order made thereto) accruing in or derived from Malaysia and received from a person referred to in section 109c at the rate of 5 % of gross."

23. Jadual 3 kepada Akta ibu adalah dipinda dengan memasukkan selepas sahaja perenggan 67, perenggan baru 67A yang berikut:

Pindaan Jadual 13.

"67A. Where pursuant to an agreement with the Government a person incurs capital expenditure on the construction, reconstruction, extension or improvement of any public road and ancillary structures which expenditure is recoverable through toll collection, the road and ancillary structures as regards such expenditure shall, for the purposes of this Schedule, be treated as a building and the provisions of this Schedule relating to industrial building shall apply, mutatis mutandis, to such building

Provided that

- (a) the balance of residual expenditure under paragraph 68 of this Schedule shall be reduced by the amount of any compensation received, and

- (b) the disposal value of the asset shall be taken to be zero when the agreement expires or is terminated."

Pindaan
Jadual 6. 24. Jadual 6 kepada Akta ibu adalah dipinda

- (a) dengan memasukkan selepas sahaja perenggan 30, perenggan baru 30A yang berikut:

"30A. Gratuity or pension derived from Malaysia and paid to a person resident for the basis year for a year of assessment under any written law applicable to the President or Deputy President of the Senate, Speaker or Deputy Speaker of the House of Representatives, Speaker of the State Legislative Assembly, member of the Senate, member of the House of Representatives or member of the State Legislative Assembly:

Provided that

- (a) the exemption in respect of pension shall apply only when the person has attained the age of fifty-five or if the Director General is satisfied that such person ceased to be President, Deputy President, Speaker, Deputy Speaker or member due to ill-health; and
(b) where such person is eligible for exemption in respect of pension under this paragraph and also under paragraph 30 of this Schedule,, exemption shall be applicable only to the higher or the highest pension payable, as the case may be."; dan

- (h) dengan memotong perenggan 31.

Pindaan
Jadual7A 25. Jadual 7A kepada Akta ibu adalah dipinda dengan menggantikan perkataan "seven" dalam subperenggan (b) kepada perenggan 2 dengan perkataan "ten".

BAB III
PINDAAN KEPADA AKTA CUKAI PENDAPATAN
TAMBAHAN 1967

26. Peruntukan-peruntukan dalam Bab ini hendaklah berkuatkuasa bagi tahun taksiran 1986 dan tahuntahun taksiran yang berikutnya.

Mula berkuatkuasanya pindaan kepada Akta Cukai Pendapatan Tambahan 1967.

27. Akta Cukai Pendapatan Tambahan 1967 adalah dipinda dengan memotong kesemuanya BAHAGIAN II dan BAHAGIAN IV.

Pemotongan Bahagian II dan IV. Akta 54.

BAB IV
PINDAAN KEPADA AKTA CUKAI KEUNTUNGAN HARTA
TANAH 1976

28. (1) Kecuali seksyen 39 (a), 39 (c), 39 (d), 39 (e), 39 (g) dan 39 (I), peruntukan-peruntukan dalam Bab ini hendaklah mula berkuatkuasa pada lhb Januari 1986.

Mula berkuatkuasanya pindaan kepada Akta Cukai Keuntungan Harta Tanah 1976.

(2) Seksyen 39 (a), 39 (c), 39 (d), 39 (e) dan 39 (I) hendaklah disifatkan telah mula berkuatkuasa pada lhb Julai 1983.

(3) Seksyen 39 (g) hendaklah mula berkuatkuasa pada lhb Januari 1986 kecuali peruntukan-peruntukan perenggan 15B (2) yang terkandung di dalamnya hendaklah disifatkan telah mula berkuatkuasa pada lhb Julai 1983.

29. Akta Cukai Keuntungan Harta Tanah 1976, yang disebut "Akta ibu" dalam Bab ini, adalah dipinda dengan menggantikan tafsiran "taksiran" dalam seksyen 2 dengan yang berikut:

Pindaan seksyen 2. Akta 169,

` "taksiran" ertinya sesuatu taksiran atau taksiran tambahan yang dibuat di bawah Akta ini;'

30. Akta ibu adalah dipinda dengan memotong seksyen 12.

Pemotongan seksyen 12

Pindaan
seksyen 13.

31. Seksyen 13 Akta ibu adalah dipinda dengan menggantikan subseksyen (1) dan (2) dengan yang berikut:

"(1) Tiap-tiap orang yang boleh dikenakan cukai yang melupuskan sesuatu aset yang boleh dikenakan cukai dan tiap-tiap orang yang memperolehi aset yang dilupuskan sedemikian itu hendaklah, dalam masa satu bulan (atau dalam apa-apa tempoh yang lanjut sebagaimana dibenarkan oleh Ketua Pengarah apabila suatu permintaan bertulis dibuat kepadanya) selepas tarikh pelupusan aset itu, membuat suatu penyata

- (a) menyatakan berkenaan dengan aset yang dilupuskan itu harga perolehan, harga lupusan dan keuntungan atau kerugian atas pelupusan itu;
- (b) memberi segala maklumat yang perlu untuk menentukan harga perolehan dan harga lupusan bagi aset yang dilupuskan; dan
- (c) jika nilai pasaran bagi aset itu hendak dipakai bagi maksud-maksud Akta ini, mengemukakan suatu penilaian bertulis mengenai aset itu oleh seorang penilai.

(2) Tiap-tiap orang nomini hendaklah, dalam tempoh satu bulan (atau dalam apa-apa tempoh yang lanjut sebagaimana dibenarkan oleh Ketua Pengarah apabila suatu permintaan bertulis dibuat kepadanya) selepas tarikh pelupusan sesuatu aset yang boleh dikenakan cukai olehnya bagi pihak mana-mana orang, membuat suatu penyata menyatakan

- (a) nama dan alamat orang yang bagi pihaknya pelupusan itu telah dilakukan;
- (b) aset yang dilupuskan itu; dan
- (c) tarikh ia pertama kali mula memegang aset itu sebagai seorang nomini bagi orang itu."

Pindaan
seksyen 14.

32. Subseksyen (1) seksyen 14 Akta ibu adalah dipinda

- (a) dengan memotong perkataan "atau" di akhir perenggan (a);

- (b) dengan menggantikan noktah di akhir perenggan (b) dengan koma bernoktah dan perkataan "atau"; dan
- (c) dengan memasukkan selepas sahaja perenggan (b), perenggan baru (c) yang berikut:
 - "(c) mengurangkan suatu taksiran yang dibuat bagi tahun taksiran yang baginya penyata itu dibuat, sebagai memberi kesan kepada seksyen 7 (4) (a)."

33. Seksyen 16 Akta ibu adalah dipinda dengan menggantikan subseksyen (1) dengan yang berikut:

Pindaan seksyen 16.

"(1) Jika dalam suatu hal yang seksyen 13 terpakai baginya

- (a) balasan atas pelupusan sesuatu aset yang boleh dikenakan cukai terdiri daripada suatu aset lain (sama ada boleh dikenakan cukai atau tidak);
- (b) terdapatnya kemungkiran oleh kedua-dua pihak pelupus dan pemeroleh mengemukakan satu penyata kepada Ketua Pengarah dalam borang yang ditetapkan sebagaimana dikehendaki di bawah seksyen 13; atau
- (c) balasan atas pelupusan sesuatu aset yang boleh dikenakan cukai itu ialah bagi maksudmaksud Akta ini nilai pasaran bagi aset itu,

maka Ketua Pengarah boleh membuat suatu taksiran ke atas pemeroleh itu sebanyak amaun yang sama dengan amaun cukai yang kena dibayar oleh pelupus dan hendaklah memasukkan dalam taksiran itu sejumlah wang yang sama banyaknya dengan sepuluh peratus daripada amaun itu, yang hendaklah disifatkan sebagai suatu kenaikan dari jenis yang disebutkan dalam seksyen 21 (4)."

34. Seksyen 17 Akta ibu adalah dipinda

Pindaan seksyen 17.

- (a) dengan menomborkan semula seksyen 17 (1) sebagai seksyen 17; dan
- (b) dengan memotong subseksyen (2).

Seksyen
baru 21A
dan 21B.

35. Akta ini adalah dipinda dengan memasukkan selepas sahaja seksyen 21, seksyen baru 21A dan 21B yang berikut:

"Perakuan
kelulusan.

21A. Ketua Pengarah hendaklah menghantar kepada kedua-duanya pelupus dan pemeroleh suatu perakuan kelulusan dalam borang yang ditetapkan

(a) apabila pembayaran dibuat mengikut seksyen 21; atau

(b) jika ia berpuas hati bahawa tiada keuntungan yang boleh dikenakan cukai telah timbul, apabila sahaja berpuas hati dengan yang sedemikian itu.

Permintaan
kepada
pemeroleh.

21B. (1) Jika sesuatu pelupusan yang seksyen 13 terpakai baginya, balasannya terdiri kesemuanya atau sebahagiannya daripada wang

(a) pemeroleh itu hendaklah, sehingga ia menerima perakuan kelulusan daripada Ketua Pengarah di bawah seksyen 21A, memegangsimpan kesemua wang itu (tertakluk kepada syarat bahawa wang yang dipegangsimpan itu tidaklah boleh melebihi sejumlah wang yang dikira mengikut kadar atas mana cukai boleh dikenakan pada masa itu, atas jumlah nilai balasan itu);

(b) Ketua Pengarah boleh, pada bila-bila masa, sebelum ia menghantar perakuan kelulusan itu, menyampaikan kepada pemeroleh suatu permintaan bertulis dalam borang yang ditetapkan meminta ia membayar kesemua atau apa-apa bahagian daripada jumlah wang yang dipegangsimpan di bawah perenggan (a) (atau, jika pemeroleh itu tidak mematuhi perenggan itu, jumlah wang yang sepatutnya telah dipegangsimpan sedemikian) dalam masa yang dinyatakan dalam permintaan itu;

(c) dalam hal di mana perenggan (b) terpakai, pemeroleh hendaklah menyerahkan jumlah wang yang disebut dalam permintaan itu kepada Ketua Pengarah dalam masa yang dinyatakan dalam permintaan itu.

(2) Sesuatu permintaan yang dikeluarkan di bawah seksyen ini hendaklah disifatkan sebagai suatu taksiran bagi maksud-maksud Akta ini.

(3) Seseorang pemeroleh yang dikehendaki di bawah seksyen ini supaya menyerahkan kepada Ketua Pengarah sejumlah wang yang sepatutnya telah dipegangsimpan tetapi tidak dipegangsimpan olehnya di bawah subseksyen (1) (a), hendaklah, apabila mematuhi permintaan itu, disifatkan bagi maksud-maksud seksyen 16 (3) sebagai telah ditaksirkan sebanyak jumlah wang di bawah seksyen 16 (1) dan sebagai telah membayar jumlah wang itu menurut taksiran itu."

36. Seksyen 24 Akta ibu adalah dipinda

Pindaan seksyen 24.

- (a) dengan menggantikan perkataan-perkataan "seksyen 12 (7)" dalam subseksyen (2) dengan perkataan-perkataan "seksyen 21n (3)";
- (b) dengan menggantikan perkataan "assest" dalam subseksyen (2) teks bahasa Inggeris dengan perkataan "asset"; dan
- (c) dengan menggantikan perkataan-perkataan "seksyen 12" dalam subseksyen (7) dengan perkataan-perkataan "seksyen 21B".

37. Seksyen 27 Akta ibu adalah dipinda dengan memotong perkataan-perkataan "suatu pemberitahu di bawah seksyen 12 atau" dalam subseksyen (1).

Pindaan seksyen 27.

38. Seksyen 29 Akta ibu adalah dipinda dengan memotong perkataan-perkataan "mungkir memberi pemberitahu yang dikehendaki oleh seksyen 12 atau" di mana jua terdapat dalam subseksyen (1) dan (3).

Pindaan seksyen 29.

Pindaan
Jadual 2.

39. Jadual 2 kepada Akta ibu adalah dipinda

- (a) dengan memasukkan selepas sahaja tafsiran "aset" dalam subperenggan (1) perenggan 1, tafsiran baru "bank Islam" yang berikut:

"bank Islam" mempunyai erti yang diberikan kepadanya di bawah Akta 276. Akta Bank Islam 1983;

- (b) dengan memasukkan selepas sahaja subperenggan (3) perenggan 1, subperenggan baru (4) yang berikut

"(4) Bagi maksud-maksud Jadual ini, "suatu balasan terdiri sebahagian besarnya daripada syer-syer" ertinya suatu balasan terdiri daripada tidak kurang daripada tujuh puluh lima peratus syer-syer.";

- (c) dengan memasukkan selepas sahaja subperenggan baru (4), subperenggan baru (5) yang berikut:

"(5) Apa-apa sebutan dalam Jadual ini mengenai bunga hendaklah terpakai, mutatis mutandis, kepada belanja yang ditakukan sebagai mengganti bunga, dalam transaksi yang dijalankan mengikut Syariah";

- (d) dengan menggantikan noktah di akhir subperenggan (f) perenggan 3 dengan koma bernoktah;

- (e) dengan memasukkan selepas sahaja subperenggan (f) perenggan 3, subperenggan baru (g) yang berikut

"(g) pelupusan sesuatu aset oleh seseorang kepada suatu bank Islam di bawah skim di mana orang itu dibiayai oleh bank itu mengikut Syariah.";

- (f) dengan menggantikan subperenggan (3) perenggan 4 dengan yang berikut:

"(3) Jika sesuatu aset, yang dilupuskan, telah diperolehi oleh pelupus sebelum lhb Januari 1970, nilai pasaran aset itu seperti pada lhb Januari 1970 hendaklah menggantikan

- (a) balasan dan kos sampingan dari jenis yang tersebut dalam subperenggan (1);
- (b) nilai pasaran aset seperti pada tarikh pemindahan pemilikan aset yang tersebut dalam perenggan 19 (1) dan (3A);
- (c) amaun legasi atau nilai pasaran aset seperti pada tarikh pemindahan pemilikan aset, mengikut mana yang lebih rendah, yang tersebut dalam perenggan 19 (2); atau
- (d) nilai aset bagi maksud-maksud duti harta pusaka yang tersebut dalam perenggan 19 (3),

mengikut mana yang berkenaan, dan jumlah wang daripada jenis yang tersebut dalam subperenggan (1) (a), (b) atau (c) yang berkaitan dengan tempoh sebelum lhb Januari 1970 itu tidaklah boleh diambil kira.";

- (g) dengan memasukkan selepas sahaja perenggan 15, perenggan baru 15A dan 15B yang berikut:

"Tarikh pelupusan dalam hal-hal tertentu.

15A. Pelupusan sesuatu aset hendaklah disifatkan sebagai berlaku

- (a) dalam hal pemberian berupa aset atas kematian, pada tarikh pemindahan pemilikan aset itu kepada penerima;
- (b) dalam hal di mana seorang penerima legasi menerima suatu aset sebagai ganti legasi wang, pada tarikh pemindahan pemilikan aset itu kepada penerima legasi;

- (c) dalam hal di mana suatu aset kepunyaan seseorang yang mati dipindahmilik kepada penerima legasi oleh wasinya (tidak kira sama ada ia sendiri seorang penerima legasi atau tidak) atau oleh pemegang amanah sesuatu amanah yang diwujudkan di bawah wasiatnya, pada tarikh pemindahan pemilikan aset itu kepada penerima legasi.

Tarikh pemerolehan dalam hal-hal tertentu.

15B. (1) Jika sesuatu aset kepunyaan seseorang yang mati dilupuskan (kepada seseorang yang lain daripada seorang penerima legasi) oleh wasinya atau oleh pemegang amanah sesuatu amanah yang diwujudkan di bawah wasiatnya, wasi atau pemegang amanah itu hendaklah disifatkan sebagai telah memperolehinya pada tarikh kematian orang yang mati itu.

(2) Jika sesuatu aset diperolehi dengan kemudahan kewangan yang diberi oleh suatu bank Islam mengikut Syariah, pemeroleh itu hendaklah disifatkan sebagai telah memperoleh aset itu pada tarikh perjanjian mengenai pemerolehan aset itu dibuat di antara pemeroleh dengan seseorang selain daripada bank Islam itu atau, dalam hal di mana aset itu dimiliki oleh bank tersebut, pada tarikh perjanjian mengenai pelupusan aset itu dibuat dengan bank itu.";

- (h) dengan memasukkan selepas sahaja perkataan-perkataan "sesuatu syarikat yang bermastautin dalam Malaysia" dalam proviso kepada subperenggan (1) perenggan 17, perkataan-perkataan "yang sedang disusun semula di bawah skim itu";
- (i) dengan menggantikan perkataan-perkataan "nilai aset itu bagi maksud-maksud duti harta pesaka" dalam subperenggan (1) perenggan 19

dengan perkataan-perkataan "nilai pasaran aset itu seperti pada tarikh pemindahan pemilikan aset itu kepada penerima";

(j) dengan menggantikan perkataan-perkataan "nilai aset itu bagi maksud-maksud duti harta pesaka" dalam subperenggan (2) perenggan 19 dengan perkataan-perkataan "nilai pasaran aset itu seperti pada tarikh pemindahan pemilikan aset itu kepada penerima legasi";

(k) dengan memasukkan selepas sahaja subperenggan (3) perenggan 19, subperenggan baru (3A) yang berikut:

"(3A) Tertakluk kepada perenggan 4 (3), jika sesuatu aset kepunyaan seseorang yang mati dipindahmilik kepada seorang penerima legasi oleh wasinya (tidak kira lama ada ia sendiri seorang penerima legasi atau tidak) atau oleh pemegang amanah bagi suatu amanah yang diwujudkan di bawah wasiatnya, maka hendaklah disifatkan sebagai adanya suatu perolehan -aset oleh penerima legasi dengan suatu harga perolehan yang sama dengan nilai pasaran aset itu seperti pada tarikh pemindahan pemilikan aset itu kepada penerima legasi dengan ditolak jumlah wang dari jenis yang tersebut dalam perenggan 4 (1) (a), (b) atau (c) yang diterima oleh penerima legasi atau terlucuthak kepada penerima legasi itu, mengikut mana yang berkenaan."; dan

(l) dengan memasukkan selepas sahaja subperenggan (6) perenggan 19, subperenggan baru (7) yang berikut:

"(7) Jika sesuatu aset diperolehi oleh seseorang (kemudian dari ini disebut "pemeroleh") dengan kemudahan kewangan yang diberi oleh suatu bank Islam mengikut Syariah, harga perolehan aset itu hendaklah amaun atau nilai balasan yang diberi oleh atau bagi pihak pemeroleh kepada orang yang melupuskan aset itu selain daripada bank Islam itu atau dalam hal di mana

aset itu dimiliki oleh bank tersebut, amaun atau nilai balasan yang diberi kepada bank itu, bagi pemerolehan aset itu (bersama dengan kos sampingan kepadanya mengenai pemerolehan itu) dengan ditolak jumlah wang dari jenis yang tersebut dalam perenggan 4 (1) (a), (h) atau (c) yang diterima oleh pemeroleh atau terlucuthak kepada pemeroleh itu, mengikut mana yang berkenaan."

Pindaan
Jadual 3.

40. Jadual 3 kepada Akta ibu adalah dipinda dengan memasukkan proviso baru yang berikut kepada subperenggan (1) perenggan 3:

"Dengan syarat bahawa jika seseorang individu itu bukan warganegara dan bukan pemastautin tetap tetapi isterinya adalah seorang warganegara atau pemastautin tetap maka perenggan ini tidaklah terpakai."

Pindaan
Jadual 4.

41. Jadual 4 kepada Akta ibu adalah dipinda dengan menggantikan perenggan 2 dengan yang berikut:

"2. Suatu amaun sebanyak lima ribu ringgit atau sepuluh peratus daripada keuntungan yang boleh dikenakan cukai, mengikut mana yang lebih besar, mengenai sesuatu keuntungan yang boleh dikenakan cukai yang terakru kepada seorang individu yang adalah seorang warganegara atau seorang individu yang bukan seorang warganegara tetapi adalah seorang pemastautin tetap, atas pelupusan aset yang boleh dikenakan cukai yang bukannya atau telah tidak menjadi sebahagian daripada aset yang lebih besar yang boleh dikenakan cukai pada masa pelupusan itu

Dengan syarat bahawa dalam hal pelupusan oleh tuan punya bersama akan bahagiannya dalam aset yang boleh dikenakan cukai, pelupusan sedemikian itu tidaklah boleh diambil kira sebagai pelupusan sebahagian daripada aset yang lebih besar yang boleh dikenakan cukai bagi maksud-maksud perenggan ini."

BAB V

PINDAAN KEPADA AKTA CUKAI PEMINDAHAN SYER
(SYARIKAT BERASASKAN TANAH) 1984

42. Peruntukan-peruntukan dalam Bab ini hendaklah disifatkan telah mula berkuatkuasa pada 19hb Oktober 1984.

Mula berkuatkuasanya pindaan kepada Akta Cukai Pemindahan Syer (Syarikat Berasaskan Tanah) 1984.

43. Seksyen 2 Akta Cukai Pemindahan Syer (Syarikat Berasaskan Tanah) 1984, yang disebut "Akta ibu" dalam Bab ini, adalah dipinda

Pindaan seksyen 2 Akta 310.

(a) dengan memasukkan selepas sahaja tafsiran "isteri" dalam subseksyen (1) tafsiran baru "kawasan perindustrian" yang berikut:

` "kawasan perindustrian" ertinya suatu kawasan tanah yang ditetapkan sebagai sedemikian oleh Pihak Berkuasa Negeri;

(b) dengan menggantikan tafsiran "pelupusan" dalam subseksyen (1) dengan yang berikut:

' "pelupusan", berhubungan dengan aset yang boleh dikenakan cukai, ertinya penjualan, pemindahhakan, pemindahmilikan, pertukaran, penyerahhakan. penyelesaian, penyerahan atau pemberimilikan syer (termasuk dengan cara penyatuan, pengambilan alih, percantuman atau penyusunan semula suatu syarikat atau syarikat-syarikat):

Dengan syarat bahawa yang berikut ini tidaklah boleh diambil kira sebagai suatu pelupusan:

- (a) pengeluaran saham pinjaman atau debentur; dan
- (b) penukaran saham pinjaman atau debentur kepada syer;;

- (c) dengan memasukkan selepas sahaja tafsiran "Pesuruhjaya Khas" dalam subseksyen (1) tafsiran baru "Pihak Berkuasa Negeri" yang berikut

56/65. ` "Pihak Berkuasa Negeri" mempunyai erti yang diberikan kepadanya di bawah Kanun Tanah Negara;

- (d) dengan menggantikan tafsiran "syarikat yang berasaskan tanah" dalam subseksyen (1) dengan yang berikut:

` "syarikat berasaskan tanah" ertinya suatu syarikat yang memiliki tanah di Malaysia sebagai salah satu aset pada masa pelupusan syer dalam syarikat itu, atau suatu syarikat yang sungguhpun ianya sendiri tidak memiliki tanah ada memegang kepentingan dalam syer (secara langsung atau melalui satu syarikat perantaraan atau lebih) dalam suatu syarikat yang memiliki tanah di Malaysia sebagai salah satu aset pada masa pelupusan syer:

Dengan syarat bahawa sesuatu syarikat tidaklah boleh dianggap sebagai syarikat berasaskan tanah di mana tanah digunakan keseluruhannya dan terutamanya bagi maksud kilang, pejabat, bangunan hotel (termasuk tanah yang digunakan sebagai padang golf, gelanggang tenis, padang permainan kanak-kanak) atau premis perniagaan jika tiada mana-mana bahagian premis itu disewa, dan tanah yang digunakan sedemikian itu pads pendapat Ketua Pengarah tidak melebihi kehendak-kehendak biasa tetapi mencukupi dengan besarnya kilang, pejabat, bangunan hotel atau premis perniagaan, atau jika tanah yang digunakan sedemikian itu terletak dalam kawasan perindustrian; dan

KEWANGAN (No. 2) 29

Dengan syarat selanjutnya bahawa sesuatu syarikat disifatkan sebagai memegang kepentingan dalam syer-syer dalam syarikat berasaskan tanah

- (a) secara langsung jika ia memegang lebih daripada dua puluh peratus pada agregatnya daripada bilangan nominal syer mengundi dalam syarikat yang berasaskan tanah itu; atau
- (b) melalui satu syarikat perantaraan atau lebih jika syarikat perantaraan itu atau mana-mana syarikat perantaraan (kiranya terdapat lebih daripada satu syarikat perantaraan) memegang lebih daripada dua puluh peratus pada agregatnya daripada bilangan nominal syer mengundi dalam syarikat yang berasaskan tanah itu;';
- (e) dengan memasukkan selepas sahaja tafsiran "syarikat berasaskan tanah" dalam subseksyen (1) tafsiran baru "syarikat perantaraan" dan "syarikat terkawal" yang berikut
 - Akta 125. "syarikat perantaraan" ertinya suatu subsidiari di bawah seksyen 5 Akta Syarikat 1965;
 - Akta 55. "syarikat terkawal" mempunyai erti yang diberikan kepadanya di bawah Akta Cukai Pendapatan 1967;';
- (f) dengan memasukkan selepas sahaja tafsiran "syer" dalam subseksyen (1) tafsiran baru "syer mengundi" yang berikut:
 - Akta 125. "syer mengundi" ertinya suatu syer mengundi di bawah Akta Syarikat 1965;
- (g) dengan memasukkan selepas sahaja subseksyen (2), subseksyen baru (3) yang berikut:

"(3) Sebutan-sebutan dalam seksyen ini mengenai kilang, pejabat atau premis perniagaan hendaklah disifatkan termasuk kemudahan-kemudahan sosial dan rekreasi

bagi pekerja-pekerja dan tempat kediaman bagi pekerja-pekerja selain daripada pengarah-pengarah (bukannya pengarah-pengarah berkhidmat) sesuatu syarikat terkawal."

Pindaan seksyen 4.

44. Seksyen 4 Akta ibu adalah dipinda dengan memasukkan selepas sahaja perkataan-perkataan "aset yang boleh dikenakan cukai" di baris 11 perkataan-perkataan "dalam syarikat yang berasaskan tanah itu".

Seksyen baru 4A.

45. Akta ibu adalah dipinda dengan memasukkan selepas sahaja seksyen 4, seksyen baru 4A yang berikut

"Pindah-milikan aset dalam suatu skim reorganisasi dsb.

4A. Tertakluk kepada seksyen ini, di mana dengan kelulusan Ketua Pengarah terlebih dahulu-

- (a) sesuatu aset yang boleh dikenakan cukai dipindahmilikkan dengan apaapa balasan di antara syarikat-syarikat dalam mana-mana skim reorganisasi, penyusunan semula atau penyatuan; atau
- (b) sesuatu aset yang boleh dikenakan cukai dilupuskan oleh likuidator syarikat dan likuidasi syarikat itu dibuat di bawah suatu skim reorganisasi, penyusunan semula atau penyatuan,

dan syarikat penerima pindahan itu bermastautin di Malaysia, pindaahmilik itu tidaklah boleh dikira sebagai suatu pelupusan

Dengan syarat bahawa tiada kelulusan boleh diberikan mengenai apa-apa pemindahmilikan atau pelupusan aset yang boleh dikenakan cukai dalam mana-mana skim di bawah subperenggan (a) atau (b) melainkan jika Ketua Pengarah berpuas hati bahawa aset yang boleh dikenakan cukai sedemikian itu dipindahmilik atau dilupuskan bagi melaksanakan mana-mana skim sedemikian itu yang secara langsung berkaitan dengan apaapa pemindahan pemilikan sesuatu aset yang

boleh dikenakan cukai di Malaysia kepada suatu syarikat yang bermastautin di Malaysia yang sedang disusun semula dengan mematuhi dasar Kerajaan mengenai penyertaan modal dalam perindustrian."

46. Seksyen 5 Akta ibu adalah dipinda dengan memasukkan selepas sahaja perkataan-perkataan "kelulusan tersebut" di akhir proviso kepadanya perkataan-perkataan "atau, jika kelulusan tersebut adalah bersyarat, tarikh syarat atau kesemuanya syarat itu di laksanakan". Pindaan seksyen 5.
47. Seksyen 9 Akta ibu adalah dipinda dengan memasukkan selepas sahaja perkataan-perkataan "satu bulan dari tarikh pelupusan" dalam subseksyen (2) perkataan-perkataan "(atau dalam tempoh yang lanjut sebagaimana dibenarkan oleh Ketua Pengarah apabila suatu permintaan bertulis dibuat kepadanya)". Pindaan seksyen 9.
48. Subseksyen (2) seksyen 44 Akta ibu bagi teks bahasa Inggeris adalah dipinda dengan menggantikan perkataan "except" dalam proviso dengan perkataan "exempt". Pindaan seksyen 44.
49. Seksyen 45 Akta ibu adalah dipinda dengan memasukkan selepas sahaja perkataan-perkataan "apa-apa pelupusan syer" dalam subseksyen (1), perkataan-perkataan "yang nilainya lima ratus ribu ringgit atau lebih". Pindaan seksyen 45.
50. Jadual 2 kepada Akta ibu adalah dipinda
- (a) dengan menggantikan perenggan 3 dengan yang berikut Pindaan Jadual 2.
- "3. Pelupusan aset yang boleh dikenakan cukai dalam suatu syarikat berasaskan tanah di antara seseorang dengan nomini atau pemegang amanahnya di mana seseorang itu sebenarnya berhak berbanding dengan nomini atau pemegang amanah atau di antara nomini-nomini atau pemegang-pemegang

amanah itu di mana keempunyaan benefisial aset yang boleh dikenakan cukai tidak berubah dengan pelupusan itu:

Dengan syarat bahawa perenggan ini tidaklah terpakai bagi sesuatu penyelesaian yang disebut dalam seksyen 20 (3)."; dan

(b) dengan memasukkan selepas sahaja perenggan 3, perenggan baru 4 yang berikut:

"4. Pelupusan aset yang boleh dikenakan cukai dalam syarikat berasaskan tanah oleh Kerajaan, Kerajaan Negeri atau pihak berkuasa tempatan."

BAB VI

PINDAAN KEPADA AKTA PETROLEUM (CUKAI PENDAPATAN) 1967

Mula berkuatkuasanya Akta Petroleum (Cukai Pendapatan) 1967.

51. (1) Kecuali seksyen 52, peruntukan-peruntukan dalam Bab ini hendaklah disifatkan telah berkuatkuasa bagi tahun taksiran 1985 dan tahun-tahun taksiran yang berikutnya.

(2) Seksyen 52 hendaklah disifatkan telah mula berkuatkuasa pada 1hb Januari 1980.

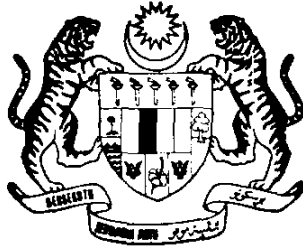
Pindaan seksyen 2. 45/67.

52. Subseksyen (1) seksyen 2 Akta Petroleum (Cukai Pendapatan) 1967, yang disebut "Akta ibu" dalam Bab ini, adalah dipinda dengan memasukkan selepas sahaja tafsiran "natural gas", tafsiran baru "partnership" yang berikut

"partnership" means an association or arrangement of any kind (including, but not limited to, joint ventures, syndicates and cases where a party to the association or arrangement is itself a partnership) between parties who have agreed to combine any of their rights, powers, property, labour or skill for the purposes of carrying on petroleum operations and sharing any petroleum production or any profit derived therefrom;

53. Subseksyen (1) seksyen 22 Akta ibu adalah dipinda dengan memasukkan selepas sahaja perkataan-perkataan "a State Government" perkataan-perkataan", a local authority".

Pindaan
seksyen 22.



LAWS OF MALAYSIA

Act 323

FINANCE (No. 2) ACT 1985

LAWS OF MALAYSIA

Act 323

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ARRANGEMENT OF SECTIONS

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19. Amendment of section 136.
20. Amendment of Part II of Schedule 1.
21. Amendment of Part III of Schedule 1.
22. New Part VI of Schedule 1.
23. Amendment of Schedule 3.
24. Amendment of Schedule 6.
25. Amendment of Schedule 7A.

CHAPTER III

AMENDMENT TO THE SUPPLEMENTARY
INCOME TAX ACT 1967

Section

26. Commencement of amendment to the Supplementary Income Tax Act 1967.
27. Deletion of Parts II and IV.

CHAPTER IV

AMENDMENTS TO THE REAL PROPERTY GAINS
TAX ACT 1976

28. Commencement of amendments to the Real Property Gains Tax Act 1976.
29. Amendment of section 2.
30. Deletion of section 12.
31. Amendment of section 13.
32. Amendment of section 14.
33. Amendment of section 16.
34. Amendment of section 17.
35. New sections 21A and 218.
36. Amendment of section 24.
37. Amendment of section 27.
38. Amendment of section 29.
39. Amendment of Schedule 2.
40. Amendment of Schedule 3.
41. Amendment of Schedule 4.

CHAPTER V

AMENDMENTS TO THE SHARE (LAND BASED
COMPANY) TRANSFER TAX ACT 1984

42. Commencement of amendments to the Share (Land Based Company) Transfer Tax Act 1984.
43. Amendment of section 2.
44. Amendment of section 4.
45. New section 4A.
46. Amendment of section 5.
47. Amendment of section 9.
48. Amendment of section 44.
49. Amendment of section 45.
50. Amendment of Schedule 2.

CHAPTER VI
AMENDMENTS TO THE PETROLEUM
(INCOME TAX) ACT 1967

Section

- 51. Commencement of amendments to the Petroleum
(Income
- 52. Amendment of section 2.
- 53. Amendment of section 22.

LAWS OF MALAYSIA

Act 323

FINANCE (No. 2) ACT 1985

An Act to amend the Income Tax Act 1967, the Supplementary Income Tax Act 1967, the Real Property Gains Tax Act 1976, the Share (Land Based Company) Transfer Tax Act 1984 and the Petroleum (Income Tax) Act 1967 and to provide for matters connected therewith.

[]

BE IT ENACTED by the Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

CHAPTER I

PRELIMINARY

1. This Act may be cited as the Finance (No. 2) Act 1985 and shall have effect or be deemed to have effect as provided in this Act.

Short title
and com-
mencement.

2. The Income Tax Act 1967, the Supplementary Income Tax Act 1967, the Real Property Gains Tax Act 1976, the Share (Land Based Company) Transfer Tax Act 1984 and the Petroleum (Income Tax) Act 1967 are amended respectively in the manner specified in Chapters II, III, IV, V and VI respectively.

Amendment
of Acts Act
53 Act
54. Act
169, Act
310 45/67.

CHAPTER II

AMENDMENTS TO THE INCOME TAX ACT' 1967

3. (1) Except for sections 4 (a), 4 (b), 4 (d), 6 (a), 6 (b), 7 (b), 7 (c) 8, 17, 18, 19, 22, 23 and 24 (b) the provisions of this Chapter shall have effect for the year of assessment 1986 and subsequent years of assessment.

Commence
ment of
amendments
to the Income
Tax Act 1967.

(2) Section 4 (d) shall have effect for the year of assessment 1984 and subsequent years of assessment.

(3) Section 23 shall have effect for the year of assessment 1985 and subsequent years of assessment.

(4) Sections 6 (a), 6 (b), 7 (b), 7 (c) and 22 shall have effect for the year of assessment 1987 and subsequent years of assessment.

(5) Sections 4 (a), 4 (b), 8, 17 and 19 shall be deemed to have come into force on the 25th October 1985.

(6) Section 24 (b) shall be deemed to have come into force on the 25th October 1985:

Provided that in the case where a long-term loan agreement

(i) was entered into and the money lent or deposited in Malaysia was remitted to Malaysia before the 25th October 1985 or was entered into and for which permission was given by the Controller of Foreign Exchange under the Exchange Control Act 1953 on or before the 25th October 1985; and

(ii) the terms, conditions or duration of that long-term loan have not been altered in any manner on or after the 25th October 1985,

the interest paid or credited on such loan shall continue to be exempt for the duration of the loan notwithstanding the withdrawal of the exemption provided for in paragraph 31 of Schedule 6 to the Income Tax Act 1967.

(7) Section 18 shall come into force on the 1st January 1986.

Amendment
of section 2
Act 53.

4. Section 2 of the Income Tax Act 1967, which in this Chapter is referred to as "the principal Act", is amended

(a) by substituting for the interpretation of "approved loan" in subsection (1), the following:

‘ "approved loan" means any loan or credit made to the Government, State Government (including any loan or credit made to a person other than the Government or State

Government where the loan or credit is guaranteed by the Government or State Government), local authority or statutory body by a person not resident in Malaysia where the loan or credit agreement was executed in Malaysia or where the loan or credit agreement was executed outside Malaysia with the prior approval of the Minister;";

(b) by deleting the interpretation of "long-term loan" in subsection (1);

(c) by deleting the interpretation of "shareholders' funds" in subsection (1); and

(d) by inserting immediately after subsection (6), the following new subsection (7)

"(7) Any reference in this Act to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the Syariah."

5. Section 3A of the principal Act is amended by substituting for paragraph (a), the following:

Amendment of section 3A.

"(a) a company, two million ringgit;"

6. Section 5 of the principal Act is amended

Amendment of section 5.

(a) by substituting for the full stop at the end of subsection (1), a colon;

(b) by inserting the following new proviso to subsection (1):

"Provided that in ascertaining the chargeable income of an individual resident in Malaysia there shall be excluded the income consisting of interest accruing in or derived from Malaysia and received from a person referred to in subsection (4) of section 109c in respect of interest paid or credited to that individual."; and

(c) by substituting for subsection (3), the following:

"(3) In ascertaining the chargeable income of any person for the purpose of section 3A there shall not be taken

into account any statutory income or adjusted loss in respect of petroleum operations by a petroleum company and dividends paid by a petroleum company out of its income derived from its petroleum operations within the meaning of the Petroleum (Income Tax) Act 1967."

45/67.

Amendment of section 6.

7. Subsection (1) of section 6 of the principal Act is amended (a) by deleting the words "or long-term loan" in subparagraph (i) of paragraph (b);

(b) by substituting for the full stop at the end of paragraph (e), a semi-colon; and

(c) by inserting immediately after paragraph (e), the following new paragraph (f):

"(f) subject to the provisions of section 109c but notwithstanding any other provisions of this Act, income tax shall be charged for each year of assessment upon the income of an individual resident in Malaysia which consists of interest (other than interest exempt from tax under this Act or any order made thereto) accruing in or derived from Malaysia and received from a person referred to in subsection (4) of section 109c at the appropriate rate as specified under Part VI of Schedule 1."

Amendment of section 13.

8. Subsection (1) of section 13 of the principal Act is amended by substituting for the proviso to subparagraph (ii) of paragraph (b), the following:

"Provided that the benefit or amenity enjoyed under this subparagraph is confined only to the employee and members of his immediate family."

Amendment of section 18.

9. Section 18 of the principal Act is amended

(a) by inserting immediately after the interpretation of "harvesting", the following new interpretation of

Act312 "insurance" ` "insurance" includes a takaful scheme pursuant to the Takaful Act 1984; and

- (b) by inserting immediately after the interpretation of "plantation", the following new interpretation of "premiums":

"premiums", in relation to insurance, includes contributions or installments payable under a takaful scheme pursuant to the Takaful Act 1984:'.
Act 312.

10. Section 44 of the principal Act is amended

Amendment of section 44.

- (a) by substituting for the full stop at the end of subsection (6), a colon; and
(b) by inserting immediately after subsection (6), the following new proviso:

"Provided that where the statutory income from an employment, pension or profession falls to be assessed in the name of an individual's wife for the relevant year pursuant to section 45 (4), there shall be deducted from such statutory income or the aggregate of such statutory income, as the case may be, an amount equal to any gift of money of the kind mentioned in this subsection, made by her in the basis year for that year."

11. Section 45 of the principal Act is amended

Amendment of section 45.

- (a) by inserting immediately after the words "income from employment" in subsection (4), the words ", from pension granted on optional retirement from employment under any written law";
(b) by substituting for subsection (5), the following

"(5) Notwithstanding any other provisions of this Act, where under subsection (4) the wife's income from an employment, pension or profession falls to be assessed for a year of assessment in her name

- (a) her total income falling to be aggregated with that of her husband under subsection (2) for that year of assessment shall be reduced by the amount of statutory income from such employment, pension or profession and she

shall be treated as having no chargeable income for that year of assessment in regard to that part of her total income which is aggregated with that of her husband; and

(b) the income assessed in her name shall be the amount of statutory income from such employment, pension or profession or the aggregate of such statutory income, as the case may be, reduced by any deduction falling to be made pursuant to section 44 (6)."; and

(c) by inserting immediately after the words "income from employment" in subsection (6), a comma and the word "pension".

Amendment of section 47, 12. Section 47 of the principal Act is amended by inserting immediately after the words " income from her employment" in subsection (4), a comma and the word "pension".

Amendment of section 48. 13. Subsection (1) of section 48 of the principal Act is amended by inserting immediately after the words "income from her employment" in the proviso, a comma and the word "pension".

Amendment of section 49. 14. Subsection (1) of section 49 of the principal Act is amended by inserting immediately after the words "income from her employment" in the proviso, a comma and the word "pension".

Amendment of section 50. 15. Section 50 of the principal Act is amended by inserting immediately after the words "from her employment" in subsection (4). a comma and the word "pension".

New section 60AA 16. The principal Act is amended by inserting immediately after section 60A, the following new section 60AA

"Application of sections 60 and 60A to a takaful business. Act 312 60AA. The provisions of sections 60 and 60A shall apply, mutatis mutandis, to a takaful business carried on pursuant to the Takaful Act 1984.".

Amendment of section 109. 17. Section 109 of the principal Act is amended by deleting the words "or long-term loan" in subsection (1).

18. The principal Act is amended by inserting immediately after section 1098, the following new section 109c: New section
109c

"Deduction of
tax from
interest paid to
a resident.

109c. (1) Where any person (in this section referred to as "the payer") is liable to pay interest (other than interest exempt from tax under this Act or any order made thereto) accruing in or derived from Malaysia to an individual resident in Malaysia, he shall upon paying or crediting such interest deduct therefrom tax at the rate applicable to such interest, and (whether or not that tax is so deducted) shall within one month after paying or crediting the interest render an account and pay the amount of that tax to the Director General:

Provided that the Director General may under special circumstances, allow extension of time for tax deducted to be paid over.

(2) Where the payer fails to pay any amount due from him under subsection (1), the amount which he fails to pay shall be a debt due from him to the Government and shall be payable forthwith to the Director General.

(3) Where in pursuance of this section any amount is paid to the Director General by the payer and if the payer has not deducted that amount in paying the payment under subsection (1) with respect to which the amount relates, he may recover that amount from that individual as a debt due to the payer.

Act 102.
Act 276.
Act 6.

(4) In this section "person" refers to a bank licensed under the Banking Act 1973 or the Islamic Banking Act 1983, a finance company licensed under the Finance Companies Act 1969, a registered co-operative society, Bank Pertanian Malaysia, Lembaga Urusan dan Tabung Haji, Malaysia Building Society Berhad, or any other institution that may be approved by the Minister."

Amendment of section 136.

19. Section 136 of the principal Act is amended

- (a) by substituting for the full stop at the end of subsection (4), a colon; and
- (b) by inserting immediately after subsection (4), the following new proviso:

"Provided that the Director General may by writing under his hand authorize any Senior Assistant or Assistant Directors of Inland Revenue (subject to any exceptions or limitations contained in the authorization) to exercise his function under section 123."

Amendment of Part II of Schedule 1.

20. Item 1 of Part II of Schedule 1 to the principal Act is amended

- (a) by deleting the words "or long-term loan"; and
- (b) by substituting for the words "15%" under the column "Rate of income tax", the words "20',4 ,,

Amendment of Part III of Schedule 1.

21. Schedule 1 to the principal Act is amended by substituting for Part III, the following:

PART III

Excess profit tax shall be charged for each year of assessment at the rate of:

- (1) In the case of a company 3 per cent
- (2) In the case of any other person 5 per cent

New Part VI of Schedule 1.

22. Schedule I to the principal Act is amended by inserting immediately after Part V, the following new Part VI:

“ **PART VI**

Notwithstanding Part I, income tax shall be charged on the income of an individual resident in Malaysia consisting of interest (other than interest exempt under this Act or any order made thereto) accruing in or derived from Malaysia and received from a person referred to in section 109c at the rate of 5 % of gross."

23. Schedule 3 to the principal Act is amended by inserting immediately after paragraph 67, the following new paragraph 67A:

Amendment
of Schedule
3.

"67A. Where pursuant to an agreement with the Government a person incurs capital expenditure on the construction, reconstruction, extension or improvement of any public road and ancillary structures which expenditure is recoverable through toll collection, the road and ancillary structures as regards such expenditure shall, for the purposes of this Schedule, be treated as a building and the provisions of this Schedule relating to industrial building shall apply, mutatis mutandis, to such building

Provided that

- (a) the balance of residual expenditure under paragraph 68 of this Schedule shall be reduced by the amount of any compensation received; and
- (b) the disposal value of the asset shall be taken to be zero when the agreement expires or is terminated."

24. Schedule 6 to the principal Act is amended

- (a) by inserting immediately after paragraph 30, the following new paragraph 30A:

Amendment
of Schedule
6.

"30A. Gratuity or pension derived from Malaysia and paid to a person resident for the basis year for a year of assessment under any written law applicable to the President or Deputy President of the Senate, Speaker or Deputy Speaker of the House of Representatives, Speaker of the State Legislative Assembly, member of the Senate, member of the House of Representatives or member of the State Legislative Assembly:

Provided that

- (a) the exemption in respect of pension shall apply only when the person has attained the age of fifty-five or if the Director General is satisfied that

such person ceased to be President, Deputy President, Speaker, Deputy Speaker or member due to ill-health; and

- (b) where such person is eligible for exemption in respect of pension under this paragraph and also under paragraph 30 of this Schedule, exemption shall be applicable only to the higher or the highest pension payable, as the case may be."; and

(b) by deleting paragraph 31.

Amendment of Schedule 74.

25. Schedule 7A to the principal Act is amended by substituting for the word "seven" in subparagraph (b) of paragraph 2, the word "ten".

CHAPTER III

AMENDMENT TO THE SUPPLEMENTARY INCOME TAX ACT 1967

Commencement of amendment to the Supplementary Income Tax Act 1967,

26. The provisions of this Chapter shall have effect for the year of assessment 1986 and subsequent years of assessment.

Deletion of Parts II and IV, Act 54.

27. The Supplementary Income Tax Act 1967 is amended by deleting the whole of PART II and PART IV.

CHAPTER IV

AMENDMENTS TO THE REAL PROPERTY GAINS TAX ACT 1976

Commencement of amendments to the Real Property Gains Tax Act 1976.

28. (1) Except for sections 39 (a), 39 (c), 39 (d), 39 (e), 39 (g) and 39 (1) the provisions of this Chapter shall come into force on the 1st January 1986.

(2) Sections 39 (a), 39 (c), 39 (d), 39 (e) and 39 (1) shall be deemed to have come into force on the 1st July 1983.

(3) Section 39 (g) shall come into force on the 1st January 1986 except the provisions of paragraph 15B (2) contained therein shall be deemed to have come into force on the 1st July 1983.

29. The Real Property Gains Tax Act 1976, which in this Chapter is referred to as "the principal Act", is amended by substituting for the interpretation of "assessment" in section 2, the following:

Amendment of section 2. Act 169.

^ "assessment" means any assessment or additional assessment made under this Act;'

30. The principal Act is amended by deleting section 12.

Deletion of section 12

31. Section 13 of the principal Act is amended by substituting for subsections (1) and (2), the following:

Amendment of section 13.

"(1) Every chargeable person who disposes of a chargeable asset and every person who acquires the asset so disposed of shall, within one month (or such further period as the Director General may allow on a written request being made to him) of the date of disposal of that asset, make a return

- (a) specifying in respect of the asset disposed of the acquisition price, the disposal price and the gain or loss on the disposal;
- (b) furnishing all information necessary to determine the acquisition price and disposal price of the asset disposed of; and
- (c) where the market value of the asset is to be taken for the purposes of this Act, submit a written valuation of the asset by a valuer.

(2) Every nominee shall, within one month (or such further period as the Director General may allow on a written request being made to him) of the date of disposal by him of a chargeable asset on behalf of any person, make a return specifying

- (a) the name and address of the person on whose behalf the disposal was made;
- (b) the asset disposed of; and
- (c) the date on which he first began to hold that asset as nominee for that person."

Amendment of section 14,

32. Subsection (1) of section 14 of the principal Act is amended

(a) by deleting the word "or" at the end of paragraph (a);

(b) by substituting for the full stop at the end of paragraph (b), a semi-colon and the word "or"; and

(c) by inserting immediately after paragraph (b), the following new paragraph (c)

"(c) reduce an assessment made for the year of assessment for which the return was made, in giving effect to section 7 (4) (a)."

Amendment of section 16.

33. Section 16 of the principal Act is amended by substituting for subsection (1), the following:

"(1) Where in a case to which section 13 applies

(a) the consideration on the disposal of a chargeable asset consists of another asset (whether chargeable or not);

(b) there is a failure by both the disposer and the acquirer to submit a return to the Director General in the prescribed form as required under section 13; or

(c) the consideration on the disposal of a chargeable asset is for the purposes of the Act the market value of the asset,

the Director General may make on the acquirer an assessment of an amount equal to the amount of the tax payable by the disposer and shall include in the assessment a sum equal to ten per cent of that amount, which shall be deemed to be an increase of the kind mentioned in section 21 (4)."

Amendment of section 17,

34. Section 17 of the principal Act is amended

(a) by renumbering section 17 (1) as section 17; and

(b) by deleting subsection (2).

35. The principal Act is amended by inserting immediately after section 21, the following new sections
 21A and 21B:

New sections
 21A and 21B

"Certificate of clearance. 21A. The Director General shall send to both the disposer and the acquirer a certificate of clearance in the prescribed form

- (a) on payment being made in accordance with section 21; or
- (b) where he is satisfied that no chargeable gain has arisen, on being so satisfied.

Requisition to acquirer. 21B. (1) Where on a disposal to which section 13 applies, the consideration consists wholly or partly of money

- (a) the acquirer shall, until he receives the Director General's certificate of clearance under section 21A, retain the whole of that money (subject to the reservation that the money retained shall not exceed a sum calculated at the rate at which the tax is for the time being chargeable, on the total value of the consideration);
- (b) the Director General may, at any time, before he sends the certificate of clearance, serve upon the acquirer a written requisition in the prescribed form calling upon him to pay the whole or any part of the sum retained under paragraph (a) (or, where the acquirer has failed to comply with that paragraph, the sum which should have been so retained) within a time specified in the requisition;
- (c) in a case where paragraph (b) applies, the acquirer shall deliver the sum stated in the requisition to the Director General within the time specified in the requisition.

(2) A requisition issued under this section shall be deemed to be an assessment for the purposes of this Act.

(3) An acquirer who is required under this section to deliver to the Director General a sum which he should have, but has not retained under subsection (1) (a), shall, on complying with the requisition, be deemed for the purposes of section 16 (3) to have been assessed in the sum tendered under section 16 (1) and to have paid that sum in pursuance of that assessment."

Amendment of section 24,

36. Section 24 of the principal Act is amended

- (a) by substituting for the words "section 12 (7)" in subsection (2), the words "section 21B (3)";
- (b) by substituting for the word "assess" in subsection (2), the word "asset"; and
- (c) by substituting for the words "section 12" in subsection (7), the words "section 21B".

Amendment of section 27.

37. Section 27 of the principal Act is amended by deleting the words "a notification under section 12 or" in subsection (1).

Amendment of section 29.

38. Section 29 of the principal Act is amended by deleting the words "fails to give the notification required by section 12 or" wherever they appear in subsections (1) and (3).

Amendment of Schedule 2,

39. Schedule 2 to the principal Act is amended

- (a) by inserting immediately after the interpretation of "connected person" in subparagraph (1) of paragraph 1, the following new interpretation of "Islamic bank"

Act 276. "Islamic bank" has the meaning assigned to it under the Islamic Banking Act 1983;";

- (b) by inserting immediately after subparagraph (3) of paragraph 1, the following new subparagraph (4)

"(4) For the purposes of this Schedule, "a consideration consisting substantially of shares" means a consideration consisting of not less than seventy-five per cent of shares.";

- (c) by inserting immediately after subparagraph (4), the following new subparagraph (5)
"(5) Any reference in this Schedule to interest shall apply, *mutatis mutandis*, to expenses incurred in lieu of interest, in transactions conducted in accordance with the Syariah.";
- (d) by substituting for the full stop at the end of subparagraph (f) of paragraph 3, a semi-colon;
- (e) by inserting immediately after subparagraph (f) of paragraph 3, the following new subparagraph (g)
"(g) the disposal of an asset by a person to an Islamic bank under a scheme where that person is financed by such bank in accordance with the Syariah.";
- (f) by substituting for subparagraph (3) of paragraph 4, the following:
"(3) Where an asset, which is disposed of, was acquired by the disposer prior to the 1st January 1970, the market value of the asset as at the 1st January 1970 shall be substituted for
(a) the consideration and incidental costs of the kind mentioned in subparagraph (1);
(b) the market value of the asset as at the date of transfer of ownership of the asset mentioned in paragraph 19 (1) and (3n);
(c) the amount of the legacy or the market value of the asset as at the date of transfer of ownership of the asset, whichever is the lower, mentioned in paragraph 19 (2); or
(d) the value of the asset for estate duty purposes referred to in paragraph 19 (3),
as the case may be, and the sum of the kind referred to in subparagraph (1) (a), (b) or (c) which relates to the period prior to the 1st January 1970 shall be disregarded.";

(g) by inserting immediately after paragraph 15, the following new paragraphs 15A and 15B:

"Date of disposal in particular cases. 15A. A, disposal of an asset shall be deemed to take place

- (a) in the case of a gift of an asset on death, on the date of transfer of ownership of the asset to the recipient;
- (b) in the case where a legatee accepts an asset in place of a money legacy, on the date of transfer of ownership of the asset to the legatee;
- (c) in the case where an asset of a deceased person is transferred to a legatee by his executor (irrespective of whether he himself is the legatee or not) or by the trustee of a trust created under his will, on the date of transfer of ownership of the asset to the legatee.

Date of acquisition in specific cases. 15B. (1) Where an asset of a deceased person is disposed of (otherwise than to a legatee) by his executor or by the trustee of a trust created under his will such executor or trustee shall be deemed to have acquired it on the date of death of the deceased person.

(2) Where an asset is acquired with a financing facility provided by an Islamic Bank in accordance with the Syariah, the acquirer shall be deemed to have acquired the asset on the date of the agreement for the acquisition of the asset entered into between the acquirer and a person other than such Islamic bank or, in the case where the asset is owned by such bank, on the date of the agreement for the acquisition of the asset entered into with the bank.";

FINANCE (No. 2)

- (h) by inserting immediately after the words "a company resident in Malaysia" in the proviso to subparagraph (1) of paragraph 17, the words "which is being restructured under such scheme";
- (i) by substituting for the words "the value of the asset for estate duty purposes" in subparagraph (1) of paragraph 19, the words "the market value of the asset as at the date of transfer of ownership of the asset to the recipient";
- (1) by substituting for the words "the value of the asset for estate duty purposes" in subparagraph (2) of paragraph 19, the words "the market value of the asset as at the date of transfer of ownership of the asset to the legatee";
- (k) by inserting immediately after subparagraph (3) of paragraph 19, the following new subparagraph (3A):
 - "(3A) Subject to paragraph 4 (3), where an asset of a deceased person is transferred to a legatee by his executor (irrespective of whether he himself is the legatee or not) or by the trustee of a trust created under his will, there shall be deemed to be an acquisition of the asset by the legatee at an acquisition price equal to the market value of the asset as at the date of transfer of ownership of the asset to the legatee less the sum of the kind referred to in paragraph 4 (1) (a), (b) or (c) received by or forfeited, as the case may be, to that legatee."; and
- (1) by inserting immediately after subparagraph (6) of paragraph 19, the following new subparagraph (7):
 - "(7) Where an asset is acquired by a person (hereinafter referred to as "the acquirer") with a financing facility provided

by an Islamic bank in accordance with the Syariah, the acquisition price of the asset shall be the amount or value of the consideration given by or on behalf of the acquirer to the person disposing that asset other than such Islamic bank or in the case where the asset is owned by such bank, the amount or value of the consideration given to the bank, for the acquisition of the asset (together with the incidental costs to him of the acquisition) less the sum of the kind referred to in paragraph 4 (1) (a), (b) or (c) received by or forfeited, as the case may be, to that acquirer."

Amendment of Schedule 3. 40. Schedule 3 to the principal Act is amended by inserting the following new proviso to subparagraph (1) of paragraph 3:

"Provided that where an individual is not a citizen and not a permanent resident but the wife is a citizen or a permanent resident this paragraph shall not apply."

Amendment of Schedule 4. 41. Schedule 4 to the principal Act is amended by substituting for paragraph 2, the following:

"2. An amount of five thousand ringgit or ten per cent of the chargeable gain, whichever is greater, in respect of a chargeable gain accruing to an individual who is a citizen or an individual who is not a citizen but is a permanent resident, on the disposal of a chargeable asset which is not or was not part of a larger chargeable asset at the time of the disposal:

Provided that in the case of a disposal by a co proprietor of his share of the chargeable asset, such disposal shall not be regarded as a disposal of part of a larger chargeable asset for purposes of this paragraph."

CHAPTER V
AMENDMENTS TO THE SHARE (LAND BASED
COMPANY) TRANSFER TAX ACT 1984

42. The provisions of this Chapter shall be deemed to have come into force on the 19th October 1984.
- Commence went of amendments to the Share (Land Based Company) Transfer Tax Act 1984.
43. Section 2 of the Share (Land Based Company) Transfer Tax Act 1984, which in this Chapter is referred to as "the principal Act", is amended
- Amendment of section 2 Act 310
- Act 53. (a) by inserting immediately after the interpretation of "company" in subsection (1), the following new interpretation of "controlled company"
- ` "controlled company" has the meaning assigned to it under the Income Tax Act 1967;
- (b) by substituting for the interpretation of "disposal" in subsection (1), the following:
- "disposal", in relation to a chargeable asset, means the sale, conveyance, transfer, exchange, assignment, settlement, delivery or alienation (including by way of an amalgamation, take over, merger or reconstruction of a company or companies), of shares:
- Provided that the following shall not be regarded as a disposal:
- (a) issue of loan stock or debentures; and
- (b) conversion of loan stock or debentures into shares;';
- (c) by inserting immediately after the interpretation of "disposal" in subsection (1), the following new interpretations of "industrial estate" and "interposed company":
- ` "industrial estate" means an area of land designated as such by the State Authority;

Act 125, "interposed company" means a subsidiary under section 5 of the Companies Act 1965;';

(d) by substituting for the interpretation of "land based company" in subsection (1), the following:

"land based company" means a company owning land in Malaysia as one of the assets at the time of disposal of shares in the company, or a company though not owning land by itself holds an interest in shares (directly or through one or more interposed companies) in a company which owns land in Malaysia as one of the assets at the time of disposal of shares

Provided that a company shall not be considered a land based company where land is used wholly and exclusively for its factory, office, hotel building (including land in use as golf course, tennis court, children's playground) or business premises where no part of the premises is let out, and the land so used is in the judgment of the Director General not excessive to normal requirements but commensurate with the size of the factory, office, hotel building or business premises, or where the land so used is land in an industrial estate; and

Provided further that a company is deemed to hold an interest in shares in a land based company

- (a) directly if it holds more than twenty per cent of the aggregate of the nominal amount of voting shares of that land based company; or
- (b) through one or more interposed companies if the interposed company or any interposed company (where there are more than one interposed company) holds more than twenty per cent of the aggregate of the nominal amount of voting shares of that land based company;';

- (e) by inserting immediately after the interpretation of "Special Commissioners" in subsection (1), the following new interpretation of "State Authority"

"State Authority" has the meaning assigned to it under the National Land Code;'; 56/65.

- (f) by inserting immediately after the interpretation of "tax" in subsection (1), the following new interpretation of "voting share"

Act 125. "voting share" means a voting share under the Companies Act 1965;'; and

- (g) by inserting immediately after subsection (2), the following new subsection (3):

"(3) References in this section to a factory, office or business premises shall be deemed to include social and recreational facilities for employees and living accommodation for employees other than directors (not being service directors) of a controlled company."

44. Section 4 of the principal Act is amended by inserting immediately after the words "chargeable assets" in line 9, the words "in that land based company".

Amendment of section 4.

45. The principal Act is amended by inserting immediately after section 4, the following new section 4A:

New section 4A

4A. Subject to this section, where with the prior approval of the Director General

- Transfer of chargeable assets in any scheme of reorganization, etc.
- (a) a chargeable asset is transferred for any consideration between companies in any scheme of reorganisation, reconstruction or amalgamation; or
- (b) a chargeable asset is disposed of by a liquidator of a company and the liquidation of the company was made under a scheme of reorganisation, reconstruction or amalgamation,

and the transferee company is resident in Malaysia, the transfer shall not be treated as a disposal:

Provided that no approval shall be given for any transfer or disposal of a chargeable asset in any scheme under subparagraph (a) or (b) unless the Director General is satisfied that such a chargeable asset is transferred or disposed of to implement any such scheme directly connected with any transfer of ownership of a chargeable asset in Malaysia to a company resident in Malaysia which is being restructured in compliance with Government policy on capital participation in industry."

Amend-
ment of
section 5.

46. Section 5 of the principal Act is amended by inserting immediately after the words "such approval" at the end of the proviso thereto, the words "or, where such approval is conditional, the date when the condition or last of the conditions is satisfied".

Amend-
ment of
section 9.

47. Section 9 of the principal Act is amended by inserting immediately after the words "one month of the date of disposal" in subsection (2), the words "(or such further period as the Director General may allow on a written request made to him)".

Amendment
of section
44,

48. Subsection (2) of section 44 of the principal Act is amended by substituting for the word "except" in the proviso, the word "exempt".

Amendment
of section
45.

49. Section 45 of the principal Act is amended by inserting immediately after the words "any disposal of shares" in subsection (1), the words "the value of which is five hundred thousand ringgit or more".

Amendment
of Schedule
2.

50. Schedule 2 to the principal Act is amended

(a) by substituting for paragraph 3, the following:

"3. Disposals of chargeable assets in a land based company between a person and his nominee or trustee where such person is absolutely entitled as against the nominee or

trustee or between nominees or trustees where the beneficial ownership of the chargeable asset is not changed by such disposals:

Provided that this paragraph shall not apply to a settlement referred to in section 20 (3).; and

(b) by inserting immediately after paragraph 3, the following new paragraph 4:

"4. Disposals of chargeable assets in a land based company by the Government, a State Government or a local authority."

CHAPTER VI
AMENDMENTS TO THE PETROLEUM (INCOME TAX)
ACT 1967

51. (1) Except for section 52, the provision of this Chapter shall be deemed to have effect for the year of assessment 1985 and subsequent years of assessment.

Commence-
ment of amend-
ments to the
Petroleum
(Income Tax)
Act 1967.

(2) Section 52 shall be deemed to have come into force on the 1st January 1980.

52. Subsection (1) of section 2 of the Petroleum (Income Tax) Act 1967, which in this Chapter is referred to as "the principal Act", is amended by inserting immediately after the interpretation of "natural gas", the following new interpretation of "partnership"

Amend-
ment of
section 2.
45167.

` "partnership" means an association or arrangement of any kind (including, but not limited to, joint ventures, syndicates and cases where a party to the association or arrangement is itself a partnership) between parties who have agreed to combine any of their rights, powers, property, labour or skill for the purposes of carrying on petroleum operations and sharing any petroleum production or any profit derived therefrom;'

Amendment
of section
22,

53. Subsection (1) of section 22 of the principal Act is amended by inserting immediately after the words "a State Government", the words ", a local authority".