MR MUSTAPHA RAJ CHARTERED ACCOUNTANTS

DON'T OVERPAY YOUR TAXES!

HERE'S A COMPREHENSIVE GUIDE TO UNDERSTAND YOUR TAX RELIEFS

WITH THE NEW TAX INCENTIVES THIS YEAR LET US HELP YOU GET THE MOST OUT OF YOUR DEDUCTIONS

Phone: 03-7841 5500

WhatsApp: 012-234 2585

Email: taxservices@mustapharaj.com

Year of Assessment (YA) 2020 Personal Tax Filings

Due Dates for Submission of Tax Return and Payment of Balance of Tax Payable

Types of Tax Returns	Due Date
Form BE (Employment Income only)	On or Before 30 April 2021
Form M (Non Resident)	On or Before 30 April 2021
Form B (All Income including Employment)	On or Before 30 June 2021

Additional Tax Deductions / Personal Reliefs

Tax Reliefs	Existing Tax Deductions	Additional Tax Deductions
Donation to Approved Institutions	Limited to 7% of Aggregate Income	• Increased to 10% of Aggregate Income • IRB - List of Approved Institutions
Special Deduction for Rental Discounts Given to SME Tenants	N/A	• Tax deductions equivalent to 30% reduction in rentals from April to September 2020 • FAQ on Rental Reduction
Income Tax Exemption for Gifts of Handphones, Notebooks, and Tablets	N/A	• RM 5,000 • Employees who receive such items from Employer • Effective 1 July 2020

Additional Tax Deductions / Personal Reliefs

Tax Reliefs	Existing Reliefs
Self	• RM 9,000
Disabled Self (additional)	• RM 6,000
Spouse / Alimony to Spouse	• RM 4,000 • Not earning income > RM 4000 per annum
Disabled Spouse (additional)	• RM 3,500
Child (below 18 years old)	• RM 2,000 per unmarried child
Child (above 18 years old)	• RM 8,000 per unmarried child • Receiving full-time instruction in respect of: 1. Diploma level and above in MY 2. Degree level and above outside MY • MQA - GOV : List of approved institution
Disabled Child (additional)	• RM 6,000
Education Fees (Self)	• RM 7,000 • Fees expended on approved courses www.mohe.gov.my
Net deposit in Skim Simpanan Pendidikan Nasional	• RM 8,000
Purchase of Breastfeeding Equipment for Personal Use	• RM 1,000 • Once every 2 years • For women taxpayers only
Parental Care Relief (until YA 2020)	• RM 1,500 • Reliefs can be shared with siblings equally

Year of Assessment (YA) 2020 Personal Tax Filings

Additional Tax Deductions / Personal Reliefs

Tax Reliefs	Existing Reliefs
Medical, Special Needs and Carer Expenses for Parents	• RM 5,000 • Certified by Medical Practitioner
Purchasing of Basic Supporting Equipment for Self (if a disabled person) or for Disabled Spouse, Child or Parent	• RM 6,000
Medical Expenses for Self, Spouse or Child Suffering from a Serious Illness / Diseases	• RM 6,000 • Inclusive of RM 500 incurred by self, spouse or child to complete full medical examination • YA 2020 - RM 6,000 is allowed for fertility treatment. • List of Serious Diseases are listed under Part F6 of the Explanatory Notes
Lifestyle	• RM 2,500 (max) • Purchase of books, journals, magazines, printed newspaper and other similar publications for the purpose of enhancing knowledge • Purchase of personal computer, smartphone or tablet • Purchase of sports equipment and gym memberships • Internet subscriptions
Private Retirement Scheme & Deferred Annuity Scheme Premium	• RM 3,000

Additional Tax Deductions / Personal Reliefs

Tax Reliefs	Existing Reliefs
Life Insurance and EPF (Pensionable Public Servant)	• RM 7,000
Life Insurance	• RM 3,000
EPF Contributions	• RM 4,000
Employee's Contribution to Social Security Organisation (SOCSO)	• RM 250
Insurance Premium for Medical / Education Benefit	• RM 3,000
Tax Relief on Travel Expenses	• Relief of up to RM 1,000 • 1 March 2020 to 31 December 2021 • For accommodation expenses at premises registered with the Ministry of Tourism, Arts and Culture Malaysia • Entrance fees to tourist attractions
Fees Paid to Child-Care Centres or Kindergartens	• Increased from RM 2,000 to RM 3,000 • For YAs 2020 and 2021 • List of Registered Child Care Centre • MOE - List of Pre-school Education
Special Tax Relief	• RM 2,500 • Purchase of a handphone, notebook, or tablet • From 1 June 2020 to 31 December 2020 • Only for YA 2020

TAX RATES

Scaled tax rates for Tax Residents with effect from Year of Assessment 2020

Chargeable Income (RM)	Tax (RM)	Percentage on Excess (%)
5,000	0	1
20,000	150	3
35,000	600	8
50,000	1,800	14
70,000	4,600	21
100,000	10,900	24
250,000	46,900	24.5
400,000	83,650	25
600,000	133,650	26
1,000,000	237,650	28
2,000,000	517,650	30

*Non Residents are subject to tax at a flat rate of 30% without deductions of Personal Reliefs.

Notes:

- Tax Reliefs are only allowed for individuals who qualify as a Tax Resident for the particular Year of Assessment.
- Full list of Personal Reliefs can be obtained via the IRB's website: IRB - Tax Relief for Resident Individuals.
- Please note that penalties will be applicable on any non compliance of submission and payment to the IRB after the due dates. List of offences, Fines and Penalties can be obtained via the IRB's website: IRB - Offences, Fines and Penalties.

Contact Us

MustaphaRaj Tax Services Sdn Bhd
D-36-03, Dataran 3 Two, No. 2, Jalan 19/1, 46300 Petaling Jaya, Selangor Darul Ehsan
Email: taxservices@mustapharaj.com Tel: 603-7841 5500 WhatsApp: 012-234 2585