

# BAD DEBT 烂账

Is Bad Debt surely  
tax deductible?  
Here, we'll teach you  
how.

烂账, 一定可以扣税吗?

 **ECOVIS**  
教你如何扣。

accounts  
receivable

4581.21	49
3452.20	22
4574.52	
7581.21	
452.20	
4581	
345	
45	
7	

4117256	7835500
5122635	2405405
3445856	6500223
5288436	2050495
22135	2030144
	7042025
	2524



## Bad Debt

What is  
Bad  
Debt?

- **Trade** debts overdue
- Identified as wholly **irrecoverable**

Can it  
be  
Written  
Off?

- Debt which has been included in the gross income for the **basis period for a Year of Assessment (YA) prior to the relevant YA**
- Only when **all reasonable steps** based on sound consideration have already be taken to recover the debt.



## 坏账

什么是  
坏账?

- 逾期的**贸易**账务
- 被认定为**不可能收回**的账务

是否可  
以注销?

- 只有在**现课税年度 (YA)**及**上一课税年度**计入总收入的债务，才能注销账务。
- 只有采取了**所有可行的合理步骤**来追讨账务后，才能注销账务。



## Steps Taken to Recover the Debt

- Issuing reminder notices
- Debt restructuring scheme
- Rescheduling of debt settlement
- Negotiation or arbitration of a disputed debt
- Legal action

## 追讨债务的步骤

- 发出提醒通知
- 账务重组计划
- 重新安排债务清算
- 谈判或仲裁有争议的债务
- 法律措施



# Steps taken to recover the debt

There should be sufficient evidence of all reasonable steps taken, **including** one or more of the steps to recover the debt.

Decision made should be based upon valid commercial considerations.

If the amount of the debt and the anticipated cost hinders any action to pursue the debt, the reasons should be documented.

## 追讨债务的步骤

当采取所有合理步骤时应保留足够的证据表明已执行一个或多个追回债务的步骤。

做出的决定应基于对公式有益的考虑。

如果债务金额和预期成本妨碍采取任何行动以追究债务，则应记录原因。



## Evidence to Qualify for Tax Deduction

The evidence showing the following must also be made available in the event of a tax audit to qualify for deduction for tax purposes:

- that each debt has been *evaluated separately*
- *when* and *by whom* this was done
- what *specific information* used in arriving at that evaluation

## 符合减税 条件的证据

进行税务审计时，还必须提供以下证据，以符合减税的条件：

- 每个债务都经过*单独评估*
- 由*谁在何时*完成
- 在进行评估时使用了哪些*具体信息*



A debt can be considered as  
irrecoverable  
**WHEN**

- The debtor has died
- The debtor has gone bankrupt or is under liquidation
- The debt is statute-barred
- The debtor cannot be tracked despite various attempts
- Attempts at negotiation or arbitration of a disputed debt have failed and the anticipated cost of litigation is prohibitive
- There is no likelihood of cost effective recovery

债务可被认为是无法追回，  
**当**

- 债务人死亡
- 债务人已破产或正在清算中
- 债务受法律禁止
- 尽管进行了各种尝试，仍无法追查债务人
- 对有争议的债务进行了谈判或仲裁的尝试，但都失败了，预期的诉讼费用过于昂贵
- 无法进行经济有效的追讨步骤



## Irrecoverable Debts Not Allowed to Deduct

- **Forgiven** or **waived** payment of debt
- **Non-trade** debts
- Debt due from **related** or **connected person**

## 不允许被扣除的坏账

- 被赦免或免除的债务
- 非贸易债务
- 会对公司或决策人造成影响之人所欠的债务



## Bad Debt Recoveries

If the amount of bad debts written-off and allowed to be deducted is recovered, it must be included in the gross income for the basis period when the amount is received.

## 坏账追回

如果已冲销并允许扣税的坏账金额被收回，则必须将其计入当年的总收入中。





# Ensuring tax deductions 如何确保减税



Have a healthy debt monitoring system to ensure that reasonable steps are taken to recover the debts

拥有健全的债务监控系统，以确保采取合理的步骤来收回债务



Keep in mind to archive the related documentary evidence along the way

保留与追讨债务相关的文件证据



At the end of the financial year, review each debt and determine what has become bad and doubtful

财政年度结束时，审查每笔债务并确定哪些已变成坏账和可疑账

Tax deduction on bad debt is rightfully yours since you have already paid tax on your revenue.  
坏账税收减免是您应有的因为您已经为该收入支付了税款。



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For more information regarding Tax Treatment of irrecoverable tax and debt recoveries:  
[http://lampiran1.hasil.gov.my/pdf/pdfam/PR\\_04\\_2019.pdf](http://lampiran1.hasil.gov.my/pdf/pdfam/PR_04_2019.pdf)

