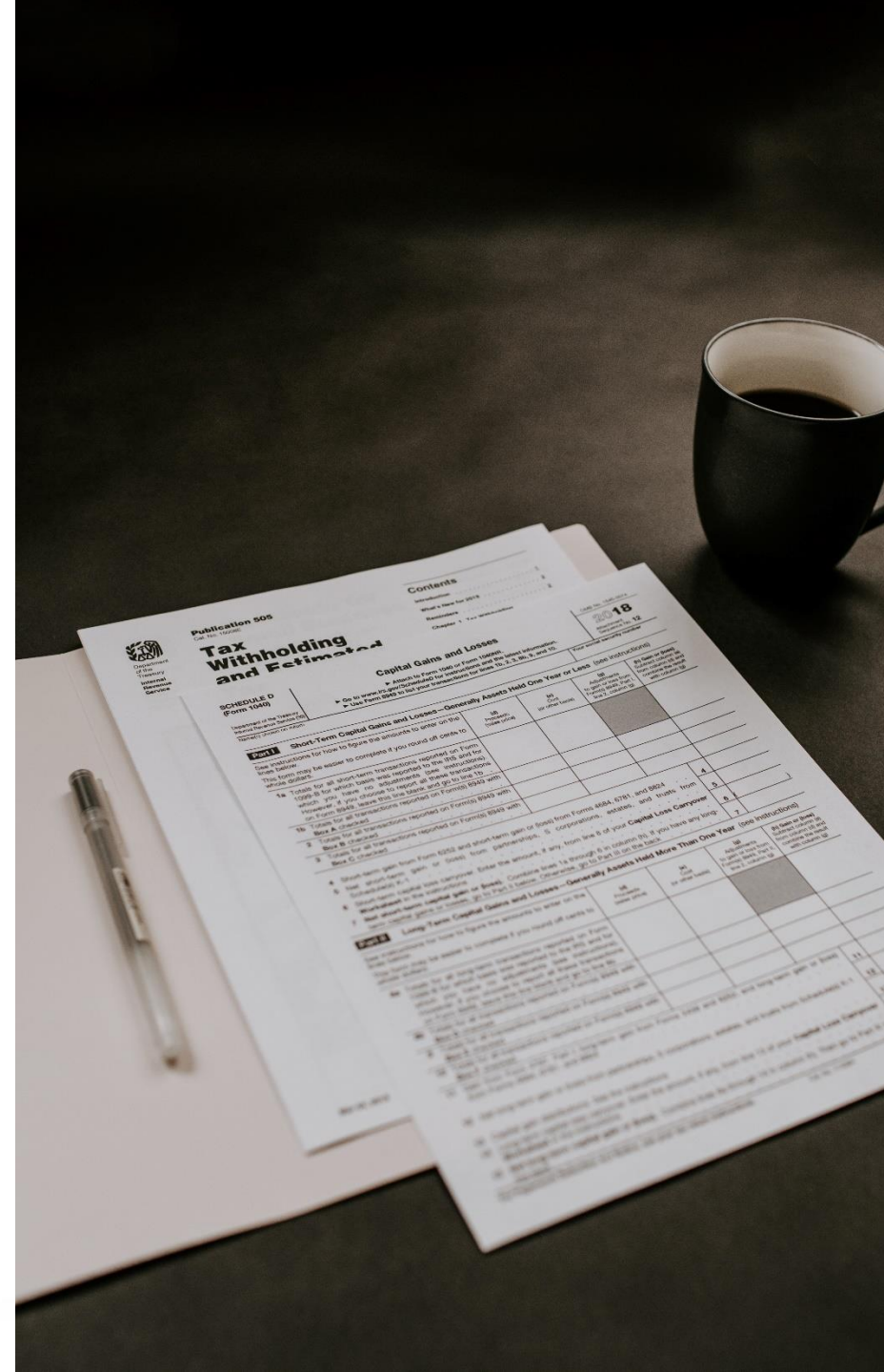


# Withholding Tax (WHT) On Income From Digital Advertising Provided By A Non-resident

Section 109/109B, Income Tax Act 1967  
(the Act)

原来利用网络媒体打广告  
也要缴交预扣税？



Google & Facebook Advertising's WHT Rate only 8%? **Not Really!**

谷歌&面子的预扣税率只需8%? **不一定!**

- **Certificate of Residence (COR)** need to be submitted when making payment to LHDN in order to prove that the vendor is legally registered business in the country you are claiming under **Double Taxation Agreement**.
- 其实，在向马来西亚关税局呈报时，必须附上收款人的**居民证（COR）**，才能以8%的预扣税率缴交预扣税，否则必须照常使用10%的预扣税率。

**什么是COR呢??**



# Google Singapore : Certificate of Tax Residence for Tax Year 2018

Tax Reference No: 200817984R  
Date: 16 Jan 2018



INLAND REVENUE  
AUTHORITY  
OF SINGAPORE

GOOGLE ASIA PACIFIC PTE. LTD.  
8 MARINA BLVD  
#05-02  
SINGAPORE 018981



55 Newton Road  
Revenue House  
Singapore 307987  
For enquiries, please call:  
Tel: 1800-3568622  
ctmail@iras.gov.sg

5-5

Dear Sir/Madam

## CERTIFICATE OF RESIDENCE FOR THE PURPOSE OF CLAIMING BENEFIT UNDER THE SINGAPORE / MALAYSIA DTA FOR SERVICE FEES

I refer to your request dated 09 Jan 2018.

Based on your confirmation that the control and management of your business for the whole of 2018 will be exercised in Singapore, it is confirmed that your company will be regarded as resident in Singapore for income tax purposes for the Year of Assessment 2019.



Yours faithfully



CHIAM YAH FANG (MS)  
ASSISTANT COMMISSIONER  
CORPORATE TAX DIVISION  
for COMPTROLLER OF INCOME TAX

# Facebook Ireland Limited : Certificate of Tax Residence for Tax Year 2018



Revenue  
Cáin agus Custaim na hÉireann  
Irish Tax and Customs

Óifig na gComisairí Ioncaim  
Rianán na gCásanna Móra  
Teach Ballaugh  
73/79 Sráid an Mhóta Iocht  
Baile Átha Cliath 2  
D02 PX37  
Éire

www.revenue.ie

Office of the Revenue Commissioners  
Large Cases Division  
Ballaugh House  
73/79 Lower Mount Street  
Dublin 2  
D02 PX37  
Ireland

1 Jan 2018

Ref : 9692928F

Re : Facebook Ireland Ltd

Certification of Tax Residence for Tax Year 2018

Dear Sir/Madam,

For the purposes of the tax treaties listed below, I confirm that the above named company is registered for corporation tax in Ireland and files its corporation tax returns, for the year stated above, on the basis that it is resident for tax purposes in Ireland. The company is therefore subject to Irish corporation tax on all of its profits wherever arising, for the said year.

Yours faithfully,



Emily Swift,  
Principal Officer,  
LCD Customer Service Branch

lcccertificates@revenue.ie

REVENUE COMMISSIONERS  
LARGE CASES DIVISION  
CUSTOMER SERVICE UNIT  
1 JAN 2018  
BALLAUGH HOUSE  
73-79 LOWER MOUNT STREET

Ireland has signed Double Taxation Agreements / Treaties with the following countries:

Albania, Armenia, Australia, Austria, Bahrain, Belarus, Belgium, Bosnia & Herzegovina, Botswana, Bulgaria, Canada, Chile, China, Croatia, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Ethiopia, Finland, France, Georgia, Germany, Greece, Hong Kong, Hungary, Iceland, India, Israel, Italy, Japan, Kazakhstan, The Republic of Korea, Kuwait, Latvia, Lithuania, Luxembourg, Macedonia, Malaysia, Malta, Mexico, Moldova, Montenegro, Morocco, the Netherlands, New Zealand, Norway, Pakistan, Panama, Poland, Portugal, Qatar, Romania, Russia, Saudi Arabia, Serbia, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, UAE, Ukraine, United Kingdom, USA, Uzbekistan, Vietnam, Zambia.



## Double Taxation Agreements Withholding Tax Rates

EFFECTIVE DOUBLE TAXATION AGREEMENTS					
No	Country	Rates (%)			
		Dividends	Interest	Royalties	Technical Fees
1.	Albania	NIL	10	10	10
2.	Australia	NIL	15	10	NIL
3.	Austria	NIL	15	10	10
4.	Bahrain	NIL	5	8	10
5.	Bangladesh	NIL	15	10	10
6.	Belgium	NIL	10*	10	10
7.	Bosnia Herzegovina	NIL	10	8	10
8.	Brunei	NIL	10	10	10
9.	Canada	NIL	15	10	10
10.	Chile	NIL	15	10	5
11.	China	NIL	10	10	10
12.	Croatia	NIL	10	10	10
13.	Czech Republic	NIL	12	10	10
14.	Denmark	NIL	15	10	10
15.	Egypt	NIL	15	10	10
16.	Fiji	NIL	15	10	10
17.	Finland	NIL	15	10	10
18.	France	NIL	15	10	10
19.	Germany	NIL	10	7	7
20.	Hungary	NIL	15	10	10
21.	Hong Kong	NIL	10	8	5
22.	India	NIL	10	10	10
23.	Indonesia	NIL	10	10	10
24.	Iran	NIL	15	10	10
25.	Ireland	NIL	10	8	10
26.	Italy	NIL	15	10	10
27.	Japan	NIL	10	10	10
28.	Jordan	NIL	15	10	10
29.	Kazakhstan	NIL	10	10	10
30.	Kyrgyz Republic	NIL	10	10	10

30.	Kyrgyz Republic	NIL	10	10	10
31.	Kuwait	NIL	10	10	10
32.	Laos	NIL	10	10	10
33.	Lebanon	NIL	10	8	10
34.	Luxembourg	NIL	10	8	8
35.	Malta	NIL	15	10	10
36.	Mauritius	NIL	15	10	10
37.	Mongolia	NIL	10	10	10
38.	Morocco	NIL	10	10	10
39.	Myanmar	NIL	10	10	10
40.	Namibia	NIL	10	5	5
41.	Netherlands	NIL	10	8	8
42.	New Zealand	NIL	15	10	10
43.	Norway	NIL	15	10	10
44.	Pakistan	NIL	15	10	10
45.	Papua New Guinea	NIL	15	10	10
46.	Philippines	NIL	15	10	10
47.	Poland	NIL	15	10	10
48.	Qatar	NIL	5	8	8
49.	Romania	NIL	15	10	10
50.	Russia	NIL	15	10	10
51.	San Marino	NIL	10	10	10
52.	Saudi Arabia	NIL	5	8	8
53.	Sevchelles	NIL	10	10	10
54.	Singapore	NIL	10	8	5
55.	Slovak Republic	NIL	5	10	5
56.	South Africa	NIL	10	5	5
57.	South Korea	NIL	15	10	10
58.	Spain	NIL	10	7	5
59.	Sri Lanka	NIL	10	10	10
60.	Sudan	NIL	10	10	10
61.	Sweden	NIL	10	8	8
62.	Syria	NIL	10	10	10
63.	Switzerland	NIL	10	10	10
64.	Thailand	NIL	15	10	10
65.	Turkey	NIL	15	10	10
66.	Turkmenistan	NIL	10	10	NIL
67.	United Arab Emirates	NIL	5	10	10
68.	United Kingdom	NIL	10	8	8
69.	Uzbekistan	NIL	10	10	10
70.	Venezuela	NIL	15	10	10
71.	Vietnam	NIL	10	10	10
72.	Zimbabwe	NIL	10	10	10



Inland Revenue Board of Malaysia  
马来西亚内陆税收局



Payer/Resident  
付款人/马来西亚居民

How to pay?  
到底要怎么算? 怎么还?



Payee/Non-resident  
收款人/非马来西亚居民

先分清楚以下两种的差别！

Services, particularly advertising services, provided by a non-resident is subject to withholding tax under the following categories:

非居民提供的服务，尤其是广告服务，应按以下类别缴纳预扣税：

<b>Section 109</b>	<b>Section 109B</b>
<b>Royalty</b> 版权使用费	<b>Special Classes of Income</b> 特殊类别收入
If it is for the purchase or use of (for example) an application (Apps) by the payer that allows the payer to create their own advertisement campaign.  付款人购买或使用（例如）一个应用程序，该应用程序允许付款人创建自己的广告系列。	If it does not involve the purchase or use of Apps but merely a provision of service by the non-resident. In this case, the payer solely relies on the service provider to deal with all aspects of digital advertising.  如果不涉及购买或使用应用程序，而仅仅是非居民提供的服务。在这种情况下，付款人仅依靠服务提供商来处理数字广告的各个方面的。



## Section 109 – Royalty 版权使用费

Example: 举的例子!

MB Sdn Bhd (MB) undertakes the activity of online trading in scarves and accessories.  
MB 私人有限公司从事围巾和配件的在线交易活动。

MB uses a renowned social media company as a platform to advertise the sales of its products.  
此公司使用一家著名的社交媒体公司作为平台来宣传其产品的销售。

The social media company allows its customers including MB to create its own advertisement campaign using its platform. 社交媒体公司允许其包括MB的客户使用其平台创建自己的广告活动。

The payment made to the social media company is classified as royalty and it is subject to withholding tax under section 109 of ITA 1967.

那么根据ITA 1967第109条的规定，MB公司支付给社交媒体公司的款项将被归类为特许权使用费，且该款项应缴纳预扣税。



## Section 109B – Special Classes of Income 特殊类别收入

Example: 举个例子!

Hotel N a Malaysian resident is using an online service via a platform provided by sookaTravel (who is a non-resident).

马来西亚居民酒店N通过sookaTravel（非居民）提供的平台使用在线服务。

Under this service arrangement, Hotel N's customers can now book rooms and also make payments via this platform.

根据这项服务安排，Hotel N的客户现在可以预订房间，也可以通过该平台付款。

Subsequently, after deducting fees/commission from these bookings, sookaTravel will release the balance to Hotel N.

随后，在从这些预订中扣除费用或佣金之后，sookaTravel将把余款退还给N酒店。

Based on the facts, if it is proven that the service is rendered in Malaysia then the fees or the commission received by sookaTravel is subject to withholding tax under section 109B ITA 1967.

基于事实，如果证明服务是在马来西亚提供的，那么sookaTravel收取的费用或佣金应根据1967年ITA 109B条的规定缴纳预扣税。





# 电子商务商业模式

## E-commerce Business Model

Business Model	Examples
Online Trading / Service Provider 网上交易/服务提供商	Lazada, e-Bay, Amazon
App Store 应用商店	Youtube, Bigo Live
Online Advertising 在线广告	Facebook, Google, Instagram
Cloud Computing 云计算	AirBNB, Uber
Payment Services 付款服务	Boost, MOLPay
Digital Currency / Token 数字货币/代币	Bitcoin, Ripple

# When should I Pay ? 什么时候应该缴交？



## Payment of Withholding Tax 预扣税的支付

The Payer is liable to make the withholding tax to IRB within one month from the date of payment or crediting to the non-resident recipient.

付款人有义务在付款或贷记给非居民接收人之日起**一个月**内向IRB代扣**代缴税款**。


## Penalty for non-compliance 违规处罚

Failure to make the payment to the IRB within the stipulated time, IRB would impose a penalty of 10% on the unpaid withholding tax. In addition, the Payer would be disallowed for tax deduction for the gross amount of the payment made to Non-resident recipient.

未能在规定时间内向IRB付款的，IRB将对未缴预扣税款征收**10%的罚款**另外，将**不允许**付款人对付给非居民接收者的总金额进行**税收减免**。

“ If you require further assistance or understanding on WHT contact us ”

For more information, please visit:

 <https://www.ecovis.com/my/>

&

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