



# **The Tax Advantage of an Asset Purchase**



# The conditions for claiming capital allowance

## 领取资本津贴的条件

- Operating a business  
经营业务
- Purchase business assets  
购买业务资产
- Assets used for business purpose  
用于商业目的资产
- Owner of the assets  
资产所有者



# What is Capital Allowance?

## 什么是资本津贴?



It is deducted from business income to replace the depreciation expenses incurred in purchasing business assets.

从业务收入中扣除，代替购买业务资产所产生的折旧费用。

### Examples of assets

- Motor vehicles 车辆
- Plant and machinery 厂房及设备
- Office equipment 办公用品
- Furniture and fittings 家具及配件



## Rates of capital allowance 资本津贴率

Type of Asset	Rate of Allowance	
	Initial Allowance (IA) (%)	Annual Allowance (AA)(%)
Heavy Machinery / Motor Vehicle	20	20
Plant and Machinery	20	14
Office Equipment, Furniture & Fittings	20	10
Computer	20	20



## Qualifying Expenditure (QE) 合格资本支出

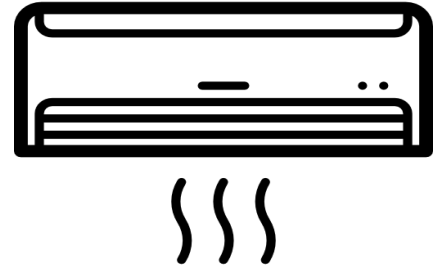


Expenses incurred by the reconstruction of existing buildings for the purpose of installing factories or machinery and other expenses accidentally caused by installation.

为安装工厂或机械目的而对现有建筑物进行改造而产生的费用，以及由于安装而意外引起的其他费用。



# Example 1



ABC Sdn Bhd bought a new air conditioner with a price of RM10,000. The installation cost is RM1,000.

ABC Sdn Bhd以RM10,000购买了一台新空调。安装费用为RM1,000。

The costs of the air conditioner 机器费用 RM 10,000

The costs of the installation 改造费用 RM 1,000

QE合格资本支出 **RM 11,000**



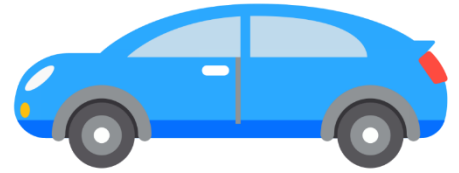
# Calculation of IA and AA

## 初始津贴和年度津贴的计算

	RM	RM
Qualifying expenditure (QE)		11,000
<u>Less:</u>		
IA (RM 11,000 X 20%)	2,200	
AA (RM 11,000 X 10%)	1,100	3,300
Residual expenditure (RE)		7,700



# Vehicle 车辆



QE for vehicle without the commercial transportation license is restricted to RM100,000 subject to the following conditions:

没有商业运输执照的车辆的合格资本支出限制为RM100,000,但必须符合以下条件:

- 1. The vehicle is new 车辆是新的**
- 2. The total cost of vehicle not exceed RM150,000**  
车辆总费用不超过 **RM150,000**

*If cannot met above conditions, QE restricted to RM50,000*  
如果无法满足上述条件, 则合格资本支出限制为RM50,000





## Example 2

ABC Sdn Bhd purchased a second hand vehicle in June 2019 costing RM70,000. The vehicle is not licensed as a commercial vehicle.

ABC私人有限公司于2019年6月以RM 70,000购买了一辆二手车。该车辆未获许可用作商用车辆。

The cost of assets : RM 70,000

QE: RM 50,000

For the year assessment 2019, QE is restricted to RM50,000 as one of the conditions is not met.

对于2019年度评估，由于不满足其中一项条件，合格资本支出限制为RM50,000



# Calculation of IA and AA

	RM	RM
Qualifying expenditure (QE)		50,000
<u>Less:</u>		
IA (RM 50,000 X 20%)	10,000	
AA (RM 50,000 X 20%)	10,000	20,000
Residual expenditure (RE)		30,000



## Example 3

ABC Sdn Bhd purchased a **new** motor vehicle in October 2019 costing RM140,000. The vehicle is not licensed as a commercial vehicle.

ABC私人有限公司在2019年10月购买了一辆新车，价格为RM140,000。该车辆未获许可用作商用车辆。

**The cost of assets : RM 140,000**  
**QE : RM 100,000**

For the 2019 assessment, since these two conditions are met at the same time, the qualifying expenditure is RM100,000.

对于2019年度评估，由于同时满足这两个条件，合格资本支出为RM 100,000。



# Calculation of IA and AA

	RM	RM
Qualifying expenditure (QE)		100,000
<u>Less:</u>		
IA (RM 100,000 X 20%)	20,000	
AA (RM 100,000 X 20%)	20,000	40,000
Residual expenditure (RE)		60,000



# References

- [http://lampiran2.hasil.gov.my/pdf/pdfam/PR\\_6\\_2015.pdf](http://lampiran2.hasil.gov.my/pdf/pdfam/PR_6_2015.pdf)

