



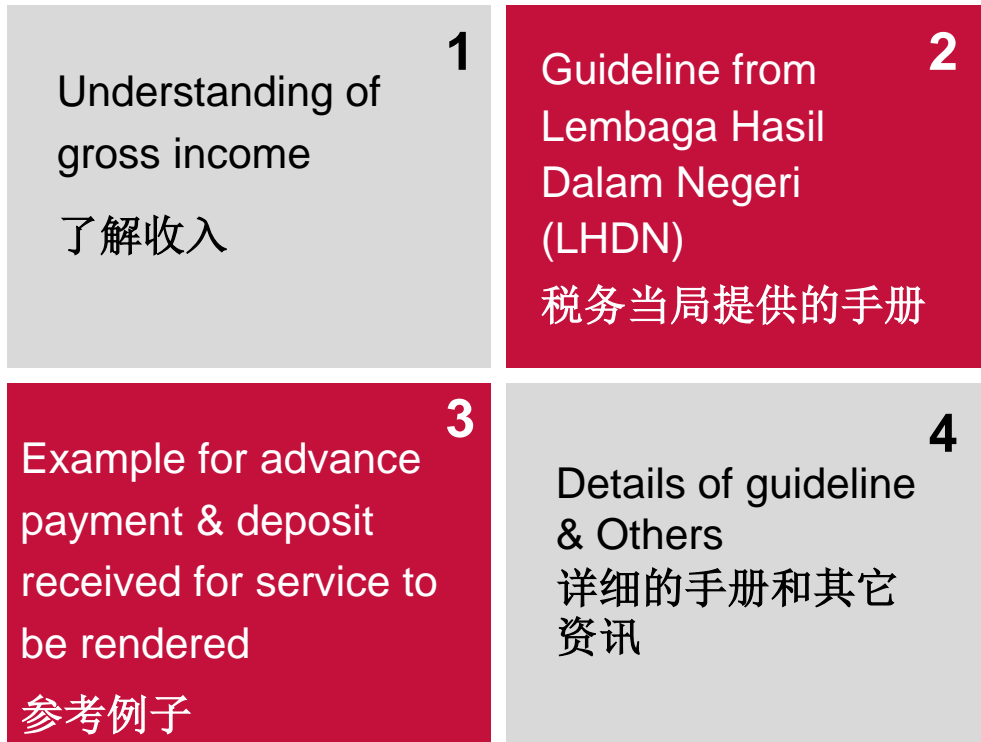
Tax Treatment of Service Income

How does the tax treatment for income/non-refundable deposits received in advance?




Advance payments & Deposits received for service to be rendered subject to gross income ?

顾客的预付与押金是否该纳入生意收入？



1. Understanding for gross income 了解收入

- | | |
|--|----------------------|
| • Cash Receipts from sale of goods or from services provided. | • 从出售货品/提供服务所收到的收入 |
| • All debts incurred from sale of goods and services provided. | • 从出售货品/提供服务构成的债务/责任 |
| • Receipts in Kind | • 收到的实物/物品福利 |
| • Recovery of Bad Debts | • 烂账恢复 |
| • Insurance compensation received for business loss | • 生意损失得到的保险赔偿 |
| • Withdrawal of business stock or stock taken for personal use | • 为了个人使用而自取生意上的货物 |
| • Cash Receipts from sale of goods or from services provided. | • 从出售货品/提供服务所收到的收入 |
| • All debts incurred from sale of goods and services provided. | • 从出售货品/提供服务构成的债务/责任 |



From these points, we can conclude that the advance payments and deposits received for service to be rendered subject to gross income ?

从这两点就能断定所收到的预付金额和押金就是收入？





2. Guideline from LHDN 税务当局提供的手册

Tax treatment of any sum received and a debt owing that arises in respect of services to be rendered.

税务方面是如何看待未来要提供的服务上所收到的预付金额和债务



After amendment PR 04/2020, what are the changes in the taxation of the prepayment amount and debt received?

修订后，所收到的预付金额和债务在税务有什么变化？

- Para 24(1)(b) of Income Tax Assessment (ITA) provide a debt owing to a person &
- Subsection 24(1A) of ITA was introduced to provide that any sum received by a person, notwithstanding that there is no debt owing to the person
- 提供了对于某人有任何债务/责任和提供了从某人收到的金额，无论是否尚未对那个人有任何的债务/责任

no debt owing to the person

对于某人尚未有任何债务/责任

Means:

A debt owing to the person has not arisen as the liability to pay in respect of such services has not arisen yet.

因为未来的服务还未发生所以对某人尚未有任何债务/责任

that arises in respect of **services to be rendered** is to be treated as gross income of the person from a business for the relevant period

这发生在未来的服务，相关的时间都将被归类为收入

Cont.>>>

3. Example参考例子:



Cleaning Sdn Bhd,

- cleaning services provider;
- closes its account in June
- provides cleaning service to XYZ company for 2 years

1st year

(01.7.2020 - 30.6.2021) -YA2021

2nd year

(01.7.2021- 30.6.2022) - YA2022

- 清洁有限公司是提供清洁服务的公司；
- 贵公司于每年6月份关帐。
- 清洁有限公司提供XYZ公司的清洁服务维持2年， 服务期限

头一年

(1.7.2020 - 30.6.2021) -YA2021

第二年

(1.7.2021- 30.6.2022)- YA2022



Total cost for 2 years
RM20,000

XYZ Co. should pay deposit
RM2,000 and advance
services fee RM8,000 for 1st
year services on 15.06.2020;

However, Cleaning Sdn Bhd
received RM20,000 include
deposits RM2,000, 1st year
services fee RM8,000 and 2nd
year services fee RM10,000
*(which due and payable on
15.06.2021)* on 13.06.2020

两年清洁费为RM20,000

XYZ 公司需在15.06.2020 前
还请押金RM2,000 和第一年的
服务费RM8,000

但是，清洁有限公司在
13.06.2020 已收到全额
RM20,000 这包括了押金
RM2,000 和第一年的服务费
RM8,000 和 理应需在
15.06.2021 收的第二年的服务
费RM10,000





Tax Treatment for deposits & advance payment	收到的押金 & 预付金额是不是清洁有限公司的收入？
Deposit RM2,000 Advance payment RM8,000	押金 RM2,000 预付金额 RM8,000
<ul style="list-style-type: none"> • Para 24(1)(b) of ITA applied • The debt owing that arises for the services to be rendered is to be treated as Cleaning Sdn Bhd's gross income in the period the liability to pay arises. • The debt owing arises in YA2020 is treated as Cleaning Sdn Bhd's gross income of YA2020 	<ul style="list-style-type: none"> • Para 24(1)(b) ITA 被采纳 • 这个押金和收到的预付是为了日后的服务。<u>债务/责任发生当有责任在指定的期限内付款。</u>指定的期限就落在YA 2020。所以，清洁有限公司收到的押金和预付将会归类在收到评估年：2020 的收入





Advance payment RM10,000

- Subsection 24(1A) of ITA applied
- RM 10,000 shall be due and payable on 15.06.2021 but was paid earlier on 13.06.2020
- RM10,000 shall be treated as gross income of YA2020 even if the debt has not yet arisen.

预付金额 RM10,000

- Subsection 24(1A)被采纳
- RM10,000的押金应在15.06.2021还请但对方已经在13.06.2020预付了
- RM10,000 的预付是为了日后的服务；尽管付款期限还未到，尚未有债务/责任。但，清洁有限公司收到的预付将会归类在收到评估年：2020 的收入

“ Which kind of services are **not**
subject to Paragraph 24(1)(b) and
Subsection 24 (1A) of ITA?

有哪些服务不授予上述的条例？”





Business activities connected to services provided under

- **Property development & Construction contract**

商业活动联系到服务在

- **产业发展与建筑合同**

Tax treatment are subject to separate Income Tax Rules.
Please refer to:

- PR No. 1/2009 Titled “Property Development”
- PR No. 2/2009 Titled “Construction Contract”



ii) Income under Section 4A of ITA connected to services provided by non-resident person

服务收入来自不是马来西亚税务居民

For tax treatment, please refer to:

- PR No. 10/2019 Titled “Withholding Tax” on special Classes of Income

iii) Deposits for any service received by service provider upon signing of an agreement where the **deposits are refundable** upon completion of the service

(ie. Security deposits & refundable deposits)

在签署合同注明服务完毕时里应退还的保险金与**可退还押金**



iv) Deposits are forfeitable if the terms and conditions of the agreement are not adhered to, where the deposits are not refundable by a service provider upon completion of the service.

服务完毕时，但因违反合同的条例而构成的押金流失。



Tax treatment

- Treat as gross income of the service provider's business
- Under provisions of paragraph 4(a) of ITA



4. Details of Guideline & Others 详细的手册和其它资讯

Please refer to :

http://lampiran1.hasil.gov.my/pdf/pdfam/PR_04_2020.pdf

http://www.hasil.gov.my/bt_goindex.php?bt_kump=5&bt_skum=1&bt_posi=2&bt_unit=5000&bt_sequ=12&bt_lgv=2



For more clarification, please contact us!
欲了解更多详情，赶快与我们联系吧！

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