

大马有效税率原来可以比**17%**更低!

How to make Tax effective rate in Malaysia **LOWER** than 17%



制造商们看过来!
Attention Manufacturers!



企业老板们最关心的课题：

Topics that most concerned by business owners:

‘如何降低公司税率，纳税少一些？’

‘Any tax saving strategies to minimize tax liability?’

其实，政府为了鼓励企业们进行再投资，推出了优沃的再投资优惠 (**Reinvestment Allowance**) 奖掖！

The Government has granted a special tax incentive – **Reinvestment allowance (RA)** in order to encourage companies to do reinvestment.



What is Reinvestment Allowance (RA) ?

什么是再投资优惠？

根据1967年所得税法令，RA是给予一间进行再投资于合格计划(Qualifying Project)的制造业或受批准的农业公司的税务优惠。RA是依据合格资本开销(QCE)的60%计算的，此优惠可利用来抵消至少70%的法定收入(Statutory income)，未用完的优惠可结转至以后年度至用完为止。

According to Schedule 7A of the Income Tax Act 1967 , a manufacturing or an approved agriculture company that undertaking qualifying project is being granted RA. The incentive is computed based on 60% of Qualifying Capital Expenditure (QCE) incurred, and can be utilized against 70% of statutory income. Any unabsorbed RA in a year of assessment can be carried forwards until fully used up.



Eligibility to claim RA 享受再投资优惠只须符合:

- Incorporated and tax resident company in Malaysia

必须是在马来西亚注册成立的税收居民公司;

- Mutually exclusive from any tax incentives

不得同时享有其他税务优惠 (i.e. Pioneer Status, Investment tax allowance, etc);

- At least 36 months operation in manufacturing activities which specialize for Automation (自动化现有的生产器材或过程), Expansion (扩充现有产能), Diversification (多元化现有产品) or Modernization(现代化现有的生产器材或过程);

- Claw back if dispose within 5 years from acquisition

在5年内转让资产将可被回收此优惠，并因此额外缴税。



Benefit of Reinvestment allowance

为什么选择再投资优惠

- To reduce the actual investment cost
减少投资成本
- Consecutively 15 years enjoy the allowance
享有连续15年的优惠
- Tax exemption of up to 70% to 100% of statutory income
可用于冲抵法定收入高达70% 至100%



Let's say:-

Company ABC Sdn Bhd, a manufacturer of disposable rubber gloves is fulfilled all the requisition to enjoy reinvestment allowance. In year 2020, the company has invested RM 2mil of machines to expand 5 new production line in the factory, and increase the monthly production output from 20,000 pcs to 100,000 pcs. That RM 2mil is entitled to enjoy both 60% of reinvestment allowance (RA) and 100% of capital allowance (CA) .

Tax saving

$$= \text{RM}2,000,000 \times (100\% \text{ (CA)} + 60\% \text{ (RA)}) \times 17\%$$

$$= \text{RM } 544,000$$

Hence, the actual investment cost is

$$= \text{RM } 2\text{mil} - \text{RM } 544,000$$

$$= \text{RM } 1,456,000.$$

YA 2020		RM
Net profit before taxation (assumed)	b	2,900,000
Statutory income (assumed)		1,800,000
<i>Less:</i>		
RA (RM2mil x 60% = RM1.2mil)		
RA restricted to (70% x RM1.8mil = RM1.26mil)		(1,200,000)
Chargeable income		<u>600,000</u>
Tax payable for the year (17%)	a	<u>102,000</u>
Tax effective rate	a/b	4%

In this case, we can clearly see that the company actual investment cost is RM1,456,000 which **tax saving RM 544,000**. Besides that, the company only paid an average rate of 4% in taxes on income, which **13% lower than normal tax rate of 17%**.



不知自己是否可以享有此税务奖掖？快来找我们询问详情吧！**ECOVIS**不但有专业的服务还有实战经验！别白白错失了良机！

Wonder if you can enjoy this tax incentive?

Visit us for more details!

ECOVIS does not only have professional services

We also real-life experience !


Don't miss this opportunity !

Please do not hesitate to contact for further information!



Thank you 谢谢

For more information, please visit:

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

&



Follow and Like us on our Facebook Page for more updates!

Contact us 联系我们

■ Kuala Lumpur (HQ) 吉隆坡

Tel : 03 - 7981 1799

Fax : 03 - 7980 4796

Email : kuala-lumpur@ecovis.com.my

■ Johor Office 柔佛

Tel : 07 - 562 9000

Fax : 07 - 562 9090

Email : johor@ecovis.com.my

■ Penang Office 檳城

Tel : 04-226 7210

Fax : 04-226 2212

Email : penang@ecovis.com.my

■ Sabah Office 沙巴

Tel : 088 - 231 790

Fax : 088 - 266 842

Email : sabah@ecovis.com.my

