

Tax Treatment on Entertainment Expenses

针对娱乐费用的税收处理



Some can deduct 100%?
有些可扣 100%?

Some cannot deduct?
有些不能扣?

Why?
为何?

Some can deduct 50%?
有些可扣 50%?




ATTENTION PLEASE

各位老板们
你们知不知道





What Kind of Entertainment? 什么是娱乐?

- a) The provision of **food, drink, recreation** or **hospitality** of any kind; or
- b) The provision of **accommodation** or **travel** in connection with or for the purpose of facilitating entertainment of the kind mentioned in paragraph a) above.

Provided by a person or his employee in a way that facilitates or is related to the trade or business conducted by that person, *with or without consideration paid whether in cash or in kind.*

- a) 提供任何种类**的食物，饮料，娱乐或招待**
- b) 为以上 (a) 项所述类型的娱乐提供相关的**住宿或旅行**

由某人或其员工以促进或与该人进行的贸易或业务有关的方式所支付的，*不论是否以现金或实物支付。*



Types of Deductible Entertainment Expenses

可扣除100%的娱乐费用

100%
Deduction



a) Provision of entertainment to employees 为员工提供的娱乐费用

- Expenditure on food, drink and recreation provided to employees *except where such expenditure is incidental to the provision of entertainment for others.*
提供给员工的食物，饮料和娱乐支出，但与为他人提供娱乐活动有关的支出除外。
- Examples of such entertainment expenses are expenses on free meals and refreshment, annual dinners, outings, family day or club membership for employees.
例如员工的免费餐食和点心，年度晚宴，郊游，家庭日或俱乐部会员资格的支出。



Types of Deductible Entertainment Expenses 可扣除100%的娱乐费用

100%
Deduction



b) Provision of promotional samples of business products 提供公司产品的促销样品

- Expenditure incurred on promotional samples of products of the business for the purpose of advertising that product.
为了宣传该产品而在该产品的促销样本上产生的支出。
- Examples of such entertainment expense are free samples of products of the business given to schools or for certain other functions.
例如免费提供给学校或用于某些其他功能的公司产品样本。



Types of Deductible Entertainment Expenses

可扣除100%的娱乐费用

**100%
Deduction**



c) Provision of entertainment related wholly to sales arising from the business
提供与公司营业额完全相关的娱乐消费

Examples of such expenditure are as follows 例如:



Expenses on food & drink for launching of a new product;
用于推出新产品的食品和饮料费用;



Redemption vouchers given;
兑换购物券;



Cash vouchers, discount vouchers, shopping vouchers, meal vouchers, concert or movie tickets;
现金券, 折扣券, 购物券, 餐券, 音乐会或电影票;



Redemption of gifts based on a scheme of accumulated points
根据积分计划兑换礼品








Types of Deductible Entertainment Expenses

可扣除100%的娱乐费用

**100%
Deduction**



Cont'

-  Free gifts for purchases exceeding a certain amount;
购买超过一定数量的免费礼物;
-  “Free” maintenance/service charges or contribution to sinking fund by property developers;
“免费”维护/服务费或房地产开发商向沉没资金的捐款;
-  Lucky draw prizes given to customers for purchases made;
购买后所获得的幸运抽奖;
-  Expenditure on trips given as an incentive to dealers for achieving sales target; and
奖励经销商以实现销售目标的旅行支出; 和
-  Expenditure incurred on refreshment given to its customer while waiting for their cars to be serviced.
维修汽车公司为等待客户提供的茶点。

Note: Vouchers, coupons, tickets, gifts etc. are only allowed as entertainment expenses when customers have redeemed them.

注意：优惠券，优惠券，门票，礼物等仅在客户兑换时才用作娱乐费用。

Example 例子

ABC Sdn Bhd carries on a car servicing business which provides light refreshments such as tea, coffee, sandwiches to its customers while waiting for their cars to be serviced. The customers are not charged for the light refreshments provided. The entertainment expense incurred is allowed a deduction since it is related wholly to sales arising from the business.

ABC Sdn Bhd 从事汽车维修业务，在客户等待维修汽车的同时，为客户提供免费的茶，咖啡，三明治等点心。由于这些娱乐费是完全与业务所产生的销售额有关，因此可以扣除。



Types of Non-Deductible Entertainment Expenses

不可扣除的娱乐费用

Not
Deductible



a) Entertainment to potential customer

给予潜在客户的娱乐费用

E.g.:

A real property sales agent discuss the purchase of a house with his potential customer at a restaurant. The agent paid the whole bill. The expense incurred on lunch provided is an entertainment expense. However, **no deduction is allowed** because it is **not wholly and exclusively** incurred in the production of gross income.

房地产销售代理商与他的潜在客户在餐厅讨论如何购买房屋。代理商为自己和潜在客户支付了午餐的全部费用。虽然提供的午餐费用是娱乐费用，但是由于提供给潜在客户的娱乐活动并非全部和专有地用于产生收入，因此不允许扣除。

Types of Non-Deductible Entertainment Expenses

不可扣除的娱乐费用

Not
Deductible



b) Wedding gifts to customer 给客户的结婚礼物

E.g.:

XYZ Sdn. Bhd. gave its customer a microwave oven as a wedding gift.

The expense incurred on the wedding gift is an entertainment expense but it **cannot be deducted** because it is **not wholly and exclusively** incurred in the production of gross income

XYZ Sdn. Bhd. 给其客户送了微波炉作为结婚礼物。虽然结婚礼物所产生的费用是一种娱乐费用，但**不能扣除**，因为它不是全部和专门用于产生收入的。



Types of Deductible Entertainment Expenses

可扣除50%的娱乐费用

50%
Deduction



a) Hampers for customers during festive seasons 节日期间为客户提供的礼物篮

- ABC Sdn. Bhd. spent RM15,000 to provide hampers for its customers in conjunction with the Chinese New Year celebration to maintain existing business relationship.
- The entertainment expense amount deductible for the hampers is only RM7,500. Only **50%** of the full RM15,000 is allowed as **deduction**.
- ABC Sdn Bhd 花费 RM15,000 于农历新年庆典为其客户们提供礼篮，以维持现有的业务关系。向客户提供礼篮的娱乐费用 **只能扣除 RM7,500**，即 RM15,000 娱乐费用的 **50%**。



Types of Deductible Entertainment Expenses 可扣除50%的娱乐费用

50%
Deduction



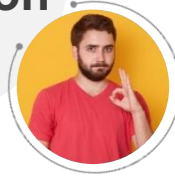
b) Flowers stands gifted for customers' grand opening 送花给开设新店的客户

- XYZ Sdn. Bhd.'s customer opened a new branch in Johor Bahru. XYZ Sdn. Bhd. sent flowers to the customer.
- The entertainment expense **allowed for deduction** for providing the flowers to its customers is **only 50%** of the total amount.
- XYZ Sdn. Bhd. 送鲜花给它在新山开设新的分行的一名顾客。XYZ Sdn. Bhd. 为顾客提供鲜花礼物的娱乐费用**仅能够扣除50%**。



Types of Deductible Entertainment Expenses 可扣除50%的娱乐费用

50%
Deduction



c) Gift without business logo for customer's annual dinner 客户周年晚宴上没有公司商标的礼物

- ABC Sdn. Bhd. is a company selling electrical goods. ABC gave promotional gifts of electrical goods costing RM50,000 to its suppliers in conjunction with the company's annual dinner. The electrical goods did not have the company's business logo.
- The entertainment expense **allowed for deduction** for the electrical goods without the company's business logo is **only 50%** of the total amount.
- ABC Sdn. Bhd. 是一家电器销售公司。在公司年度晚宴上，ABC向供应商赠送了价值5万令吉的电器促销礼品。电器产品上没有公司的商标。向供应商提供没有公司商标的电器产品的娱乐费用，**只能扣50%**。





No	Types of entertainment	Allowed a deduction of		Not allowed a deduction	ITA Provision
		100%	50%		
1	Entertainment given to a potential customer in a closed transaction 封闭交易中给予潜在客户的娱乐			√	Not wholly and exclusively incurred under subsection 33(1) of the ITA
2	Entertainment given to potential or existing customers during the launching of company's new product 在公司新产品发布期间给予潜在或现有客户的娱乐	√			Proviso (vii) to paragraph 39(1)(l) of the ITA
3	Wedding gift to customer 给客户的结婚礼物			√	Not wholly and exclusively incurred under subsection 33(1) of the ITA

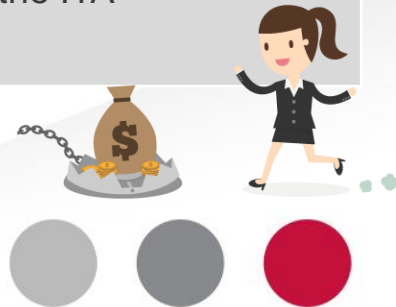




No	Types of entertainment	Allowed a deduction of		Not allowed a deduction	ITA Provision
		100%	50%		
4	Entertainment to employees of related companies 招待有关系公司的员工			√	Not wholly and exclusively incurred under subsection 33(1) of the ITA
5	Entertainment for annual general meeting of company 公司年度股东大会娱乐活动			√	Not wholly and exclusively incurred under subsection 33(1) of the ITA
6	Cash contribution for customer's annual dinner 客户年度晚宴的现金捐款			√	Not wholly and exclusively incurred under subsection 33(1) of the ITA
7	Annual dinner for employees 员工年度晚宴	√			Proviso (i) to paragraph 39(1)(l) of the ITA



No	Types of entertainment	Allowed a deduction of		Not allowed a deduction	ITA Provision
		100%	50%		
8	<p>Gift with business logo for customer's annual dinner</p> <p>客户周年晚宴上带有公司商标的礼物</p>	√			Proviso (vi) to paragraph 39(1)(l) of the ITA
9	<p>Gift without business logo for customer's annual dinner</p> <p>客户周年晚宴上没有公司商标的礼物</p>		√		Not included under provisos (i) to (viii) to paragraph 39(1)(l) of the ITA
10	<p>Free trip as an incentive to sales agent for achieving the sales target</p> <p>销售代理商达成销售目标的激励</p>	√			Proviso (vii) to paragraph 39(1)(l) of the ITA





No	Types of entertainment	Allowed a deduction of		Not allowed a deduction	ITA Provision
		100%	50%		
11	Gift of flower for customer's opening of new outlet 送花给开设新店的客户		√		Not included under provisos (i) to (viii) to paragraph 39(1)(l) of the ITA
12	Entertainment to suppliers 供应商的娱乐费用		√		Not included under provisos (i) to (viii) to paragraph 39(1)(l) of the ITA
13	Hampers for customers during festive seasons 节日期间为客户提供的礼物篮		√		Not included under provisos (i) to (viii) to paragraph 39(1)(l) of the ITA



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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