

Income Tax Treatment of Wage Subsidy Programmes [WSP]

- We would like to remind taxpayers who receive the grant and/or subsidy:
 - to pay attention to how the grant and/or subsidy are treated
 - since the Subsidy Wages that employers get under the Wage Subsidy Programs are a kind of government assistance.

| Programme | Channelled | Employers Benefited | Employees Benefited |
|--|---|---|--|
| PSU 1.0 (as at March 12, 2021) | RM12.837bil | 322,177 | 2.64 million |
| PSU 2.0 (as at March 12, 2021) | RM1.094bil | 72,531 | 619,821 |
| PSU 3.0 (PEMERKASA package additions as at March 17, 2021) | Three-month extension and another RM700 million allocated | Targeted to help tourism, wholesale and retail, and sectors affected by MCO | To help 400,000 workers and 37,000 employers |

Sources: Perkesa, Ministry of Finance | TheStar graphics

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2

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- Based on LHDNM's Response to CTIM Memorandum on Compliance and Operational Issues dated 13 July 2021, the IRBM concludes that:
 - Taxpayers are exempt from tax under the Income Tax (Exemption) (No. 22) Order 2006 (P.U.(A) 207/2006) for income received in connection with allocations made by the Federal Government or the State Government in the form of a grant or a subsidy. As a result, money received in the form of grants or subsidies through WSP would be tax-free.
 - Any expenses related to this receipt are disregarded and are not allowed to be claimed from the business income. The Company is required to provide a separate record of receipts and expenses for the purpose of this exemption.

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3

工资补贴方案的所得税处理 [WSP]



SISTEM INSURANS PEKERJAAN
PROGRAM SUBSIDI UPAH

PSU 1.0
MEMBANTU
2.7 JUTA
PEKERJA

PSU 2.0
MEMBANTU
975 RIBU
PEKERJA

PSU 3.0
MEMBANTU
1.8 JUTA
PEKERJA

PERMOHONAN PSU 4.0
prihatin.perkeso.gov.my
SEHINGGA 31 OKTOBER 2021

www.mylfuturesjobs.gov.my

- 我们想提醒领取工资补贴的纳税人:
 - 雇主在工资补贴方案下获得的补贴工资是政府提供的援助。
 - 因此，税务上的处理，不得不注意

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4

工资补贴方案的所得税处理 [WSP]



- 根据税收局于2021年7月13日对 CTIM 关于合规和运营问题备忘录的回应，针对工资补贴，税收局如此评论：
 - 根据2006年所得税 (豁免)(第22号) 指令 [P.U.(A) 207/2006]，纳税人因联邦政府或州政府以赠款或补贴形式提供的拨款而获得的收入/补贴/援助，豁免纳税。因此，通过工资补贴方案收到的金钱援助是不被征税的。
 - 然而要注意的是，任何与该补贴或原则有关费用，都将被忽视，也就是说不能从营业收入扣税。同时公司还需要提供一份单独的援助收入和费用支出的记录，以享有此项豁免。

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5

Income Tax Treatment of Wage Subsidy Programmes [WSP] 工资补贴方案的所得税处理 [WSP]




- Group Relief is provided under Section 44A of the Income Tax Act 1967, however this relief does not apply to companies that are eligible for ministerial exemption under Section 127 of the ITA. As a result, if a company seeks relief under P.U. (A) 207/2006, it cannot claim Group relief.
- 1967年所得税法令第 44A 条为公司提供了集团减免 [Group Relief] 方案，然而这一条文并不适用于任何在 1967年所得税法令第127 条下获得部长授予的豁免的公司。因此，一家公司如果 根据 P.U. (A) 207/2006 获得了减免，它就不能再享有集团减免的资格。

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6



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 - check the information contained therein whether it's up-to-date, accurate and complete, and
 - seek your own independent professional advice; this is because the scope and extent involved in each individual case is different.

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7

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| <p>For further consultation, please contact:</p> <p>Chin Chee Seng Partner +6012 365 4331 cschin@ccs-co.com</p> <p>Wong Woei Teng Audit Partner +6017 237 8233 woeiteng@ccs-co.com</p> <p>Jared Low Assurance Director +6018 763 4813 jared@ccs-co.com</p> | <h2 style="margin: 0;">CCS & Co</h2> <p style="font-size: x-small; margin-top: 10px;">© 2021 CCS. All rights reserved. Not for further distribution without the permission of CCS & Co. "CCS" refers to the network of member firms of CCS & Co. The information contained in the slides represents the views of CCS and does not constitute the provision of professional advice of any kind. The information contained in the slides is based on our interpretation of existing legislation as at the published date. While CCS makes reasonable efforts to provide information which we believe to be reliable, we make no representations or warranties that the information provided is complete, accurate, up to date or non-misleading. The information provided herein should not be used as a substitute for consultation with professional advisers. Before making any decision or taking any action, you should consult a professional adviser who has been provided with all the pertinent facts relevant to your particular situation. No responsibility for loss occasioned to any person action or refraining from action as a result from using the information in the slides can be accepted by CCS.</p> |
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