

A BILL

i n t i t u l e d

An Act to amend the Income Tax Act 1967.

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ENACTED by the Parliament of Malaysia as follows:

Short title

1. This Act may be cited as the Income Tax (Amendment) Act 2017.

Amendment of section 112A

2. The Income Tax Act 1967 [*Act 53*], which is referred to as the “principal Act” in this Act, is amended in subsection 112A(1), by substituting for the word “132B” the words “132, 132A and 132B, where such arrangement relates to the furnishing of a country-by-country report,”.

Amendment of section 113A

3. Subsection 113A(1) of the principal Act is amended—

(a) by renumbering it as section 113A; and

(b) by substituting for the word “132B”, wherever it appears, the words “132, 132A or 132B, where such arrangement relates to the automatic exchange of information or the furnishing of a country-by-country report,”.

Amendment of section 119B

4. Section 119B of the principal Act is amended by substituting for the word “132B”, wherever it appears, the words “132, 132A and 132B, where such arrangement relates to the automatic exchange of information or the furnishing of a country-by-country report,”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Income Tax Act 1967 (“Act 53”).

2. *Clause 1* contains the short title of the proposed Act.

3. *Clause 2* seeks to amend section 112A of Act 53 to make it an offence for failure to furnish a country-by-country report as required by any rules made under paragraph 154(1)(c) to implement or facilitate the operation of a double taxation arrangement under section 132 or tax information exchange arrangement under section 132A, in addition to the mutual administrative assistance arrangement under section 132B as in the current provision.

4. *Clause 3* seeks to amend subsection 113A(1) of Act 53 to make it an offence on any person who makes any incorrect return, information return or report or who gives any incorrect information relating to the arrangement of an automatic exchange of information or a country-by-country report under any rules made under paragraph 154(1)(c) to implement or facilitate the operation of a double taxation arrangement under section 132 or tax information exchange arrangement under section 132A, in addition to the mutual administrative assistance arrangement under section 132B as in the current provision.

5. *Clause 4* seeks to amend section 119B of Act 53 to make it an offence for failure to comply with any rules made under paragraph 154(1)(c) to implement or facilitate the operation of a double taxation arrangement under section 132 or tax information exchange arrangement under section 132A, in addition to the mutual administrative assistance arrangement under section 132B as in the current provision, where such arrangement relates to the automatic exchange of information or the furnishing of a country-by-country report.

FINANCIAL IMPLICATIONS

This Bill will not involve the Government in any extra financial expenditure.

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