



Special Voluntary Disclosure Program (SVDP 2.0)

In a recent [media release](#), the Inland Revenue Board Malaysia (“IRBM”) has announced that a **special voluntary disclosure** can be made by taxpayers. Eligible taxpayers who can participate in the SVDP 2.0 are –

- New taxpayers who have never declared their income but have commenced business or received income
- Taxpayers who have previously underdeclared their income
- Taxpayers who have not declared disposal of assets
- Stamp duty payer who submit any document / agreement that has been executed on or before 1 May 2023 for stamping from 6 June 2023 to 31 May 2024

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When is SVDP 2.0

The SVDP period is from **6 June 2023** to **31 May 2024**.

What are covered under the SVDP 2.0

The SVDP 2.0. covers the following –

- Income Tax Act 1967
 - Including transfer pricing
- Real Property Gains Tax (RPGT) Act 1976
- Stamp Act 1949

SVDP 2.0 is offered to all category of taxpayers except employer file category.

NO Penalty

No penalty will be imposed for special voluntary disclosure made during the period from 6 June 2023 to 31 May 2024.

NO tax audit/investigation

The IRBM has stated in their media release that they will receive the voluntary disclosure during the SVDP 2.0 period in good faith. Further checking by way of tax audit or investigation will not be carried out for the years of assessment in relation to the income declared voluntarily.

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Indirect tax

The Royal Malaysian Customs Department ("RMCD") in their official portal has announced that the **voluntary disclosure program** ("VDP") will also commence on 6 June 2023 until 31 May 2024.

Based on the Guidelines issued by the RMCD, the VDP will cover mistakes or omissions related to indirect taxes which were previously unknown or undiscovered by the RMCD.

The implementation of this VDP involves **100% penalty remission** incentive under the acts and subsidiary legislations of the following (excluding taxes imposed on the importation of goods) –

- Sales Tax Act 1972;
- Service Tax Act 1975;
- Goods and Services Act 2014;
- Tourism Tax Act 2017;
- Sales Tax Act 2018; and
- Service Tax Act 2018.

The taxable periods declared under the VDP will **not be audited** by RMCD's Compliance Division at the zone / state level.

Let us be of assistance to you

Both the IRBM and RMCD have issued Guidelines and FAQs for the implementation of the SVDP 2.0 and VDP respectively. Our team of tax experts have the knowledge and experience from the previous SVDP 1.0 and we can meet up with you to offer our tax services on how to take full advantage of this SVDP 2.0 and/or VDP. Confidentiality is assured.

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