



TaxSnaps

11th Month Revision Of Tax Estimates For All Businesses; And Deferment Of Tax Instalment Payments For MSMEs

Following the Budget 2022 announcement on 29 October 2021, the Inland Revenue Board (IRB) has issued the [Frequently Asked Questions \(FAQ\)](#) (available in Bahasa Malaysia only) on 30 November 2021 (updated) to provide further clarifications on the revision of tax estimates in the 11th month of the basis period for the years of assessment (YAs) 2021 and 2022 and the deferment of tax instalment payments for Micro, Small and Medium Enterprises (MSMEs).

In this connection, below are a select few of the key points from the FAQ:-

Revision Of Tax Estimates In The 11th Month Of The Basis Period For YAs 2021 And 2022

- All industries are eligible to apply for the 11th month revision of tax estimates
- This revision is only allowed specifically for the YAs 2021 and 2022

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Revision Of Tax Estimates In The 11th Month Of The Basis Period For YAs 2021 And 2022 (cont')

- The prescribed [Application Form for the 11th month revision of tax estimates](#) uploaded on the IRB's website is available in Bahasa Malaysia only.
- The due date for submission of this Application Form is on the last day of the 11th month of the basis period for the YAs 2021 and 2022. Example is given as follows:

YA	Basis Period	11 th Month Of The Basis Period	Due Date For Submission Of Application For Revision	Effective Date Of The Revision (following the receipt date)
2021	01/01/2021 – 31/12/2021	November 2021	10 December 2021	15 December 2021
2022	01/07/2021 – 30/06/2022	May 2022	31 May 2022	If the application for revision is received after the 15 th day of the 11 th month of the basis period for YAs 2021 and 2022, the effective date of the revision is on the 15 th day of the following month.

- The due date for the submission of this Application Form is 31 October 2022 for the revision in the 11th month of the basis period that falls in the months of October / November / December 2022.
- The minimum estimated tax payable for the YA 2022 shall not be less than 85% of the original estimate or the 6th / 9th month revised estimate of tax payable.

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Deferment of tax instalment payments for MSMEs

- The criteria for MSME status is as follows:-
 - Paid-up capital of ordinary shares of RM2.5 million and less at the beginning of the basis period for a YA; and
 - Gross income from source or sources consisting of a business not exceeding RM50 million for the basis period for that YA.
- For taxpayers subject to CP500 instalment payments, the deferment is allowed for the CP500 payments from 1 January 2022 to 30 June 2022.
- For taxpayers subject to CP204 instalment payments, the deferment is applicable for all basis periods (and not limited to basis period ending on 31 December 2022 only) if the taxpayers still have CP204 payments in the deferment period allowed of 1 January 2022 to 30 June 2022.
- The IRB will issue notification to the taxpayers who are eligible for the deferment of CP204 payments by way of email that is registered with the IRB only.
- Taxpayers can make an appeal if it is determined that they are eligible for deferment of CP204 payments based on their current MSME status. Such appeal can be made by way of an email to the address as provided in the FAQ.
- There will not be any notification to taxpayers for CP500 payments as the deferment for CP500 payment is allowed from 1 January 2022 to 30 June 2022.

Please refer to the abovementioned FAQ for detailed information (including examples, penalty provisions, etc.) pertaining to the 11th month revision of tax estimates for all businesses; and deferment of tax instalment payments for MSMEs.

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