

Wednesday, Jun 26 2019



CYBERJAYA, June 25 - The Finance Minister has reminded taxpayers who have any previously undeclared income to take advantage of the special reduced penalty rate of 10% before it ends on June 30.

In reference to the Inland Revenue Board's Special Voluntary Declaration Programme (SVDP), Lim Guan Eng said taxpayers who want to declare their income should act quickly to be eligible for the special penalty rate, before it is raised to 15% on July 1.

The June 30 deadline for the 10% penalty rate is an extension by the government from the original March 31, 2019 deadline, following "overwhelming response" from taxpayers.

"Take the chance to declare your income now -there are only a few days remaining for the low penalty rate.

"This is a chance that does not come often - you have a chance to settle the taxes owed to the government, and with a minimal 10% penalty rate, instead of the original 300% rate," he said at the IRB Hari Raya Open House here on Tuesday.

He added that the program was a move by the government to facilitate payment of taxes, and that it was not a punitive measure.

The government had in February agreed to a reduced penalty rate from 300% to 10% if the declaration was made before March 31, 2019, or 15% if it was reported between April 1 and June 30.

However, the 10% penalty rate was later extended until June 30.

Declarations made between July 1 and Sept 30 will see the penalty raised to 15%, followed by 45%.

The SVDP, which was launched in November last year, was offered to five categories of taxpayers including individuals, companies and organisations that have not registered with the IRB, and those who have registered but have not submitted their income tax return forms, petroleum return forms or real property gains tax return forms.

Under the SVDP, individual taxpayers are required to disclose all undeclared income made until Dec 31, 2017, while businesses have to disclose all such income for the accounting period ending March 31, 2018.