

**IN THE COURT OF APPEAL OF MALAYSIA IN PUTRAJAYA
(APPELLATE JURISDICTION)
CIVIL APPEAL NO: W-01(IM)-585-09/2011**

BETWEEN

KETUA PENGARAH HASIL DALAM NEGERI

... APPELLANT

AND

PELANGI SDN BHD

... RESPONDENT

Revenue Law– refund–interest - section 11- Civil Law Act 1956

Issue : Whether the Revenue is bound to pay interest on the amount of tax which has to be refunded to the tax payer in consequence to the order made by the High Court that the assessment raised by the Revenue is unlawful, illegal and without basis.

Decision : The Court of Appeal dismissed the Revenue's appeal.

The Court of Appeal held that the High Court was correct when imposing an interest of 4% from the date the tax was paid until the amount is refunded to the tax payer.

Date of Judgment : 29 Mac 2012

Status : The Revenue has filed an application for leave to appeal to the Federal Court. The hearing date for the application has not been fixed.