**INDIVIDUAL BUSINESS INCOME**

**SOURCES OF BUSINESS INCOME**

- Retail business
- Direct selling
- Hawkers
- Clinic, legal firm or any other professional services
- Agricultural business
- Online business
- Writers and performing artist
- Commissions

**RESPONSIBILITY**

- Declare any income and expenses inclusive of any deductions and rebates
- Keep the documents, records and business accounts for 7 years for LHDNM’s audit purposes
- Engage licensed tax agents in preparing the business accounts
- To comply with the Notice of Installment Payment (CP 500)
- Inform in writing if the business end

**SOLE PROPRIETOR**

- Complete and submit Form eB via e-Filing

**BUSINESS PARTNER**

- Complete and submit Form eP via e-Filing (responsibility of the managing partner)
- Inform in writing if the partnership is converted into a sole proprietorship / private limited company

**PLEASE NOTE**

Deadline for submission of Form B, P and payment of tax payable (if any): 30 June every year

Refer to account’s statement, supporting documents, other income statement and receipts

Fill in the correct business code when filling the Income Tax Return Form (ITRF)

Business accounts and supporting documents need not be submitted during the form submission

ITRF should be sent even if the accounts shows losses

**CAPITAL ALLOWANCE**

- Deduction for capital allowance on business assets are claimable and will be deducted against adjusted income

**INSTALLMENT PAYMENT BY INDIVIDUAL (CP500)**

- 6 installment payments issued by LHDNM
- Payment beginning March
- Each installment must be paid within 30 days
- Apply for revision before 30 June

**BUSINESS EXPENSES**

**ALLOWABLE**

- Expenses incurred in the production of business income
- EXAMPLE:
  - Wages / salaries
  - Employee’s EPF / SOCSO
  - Business insurance (burglary / fire)
  - Business premises rental
  - Interest on business loan

**NON-ALLOWABLE**

- Domestic and private expenses
- EXAMPLE:
  - Personal electricity and water supply bill
  - Purchase of personal assets
  - Car
  - House
  - Furniture

**CAPITAL ALLOWANCE**

<table>
<thead>
<tr>
<th>TYPE OF ALLOWANCE</th>
<th>TYPE OF ASSET</th>
<th>RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial</td>
<td>All types of asset</td>
<td>20 %</td>
</tr>
<tr>
<td>Annual</td>
<td>Motor vehicles, heavy machinery</td>
<td>20 %</td>
</tr>
<tr>
<td></td>
<td>Plant and machinery</td>
<td>14 %</td>
</tr>
<tr>
<td></td>
<td>Office equipment, furniture and fittings</td>
<td>10 %</td>
</tr>
<tr>
<td></td>
<td>Computer</td>
<td>40 %</td>
</tr>
</tbody>
</table>