

IN THE COURT OF APPEAL IN PUTRAJAYA

(APPELLATE JURISDICTION)

CIVIL APPEAL NO: W-01-200-10

KETUA PENGARAH HASIL DALAM NEGERI

... APPELLANT

AND

TERAJU SINAR SDN BHD

....RESPONDENT

Revenue Law – Income Tax – Section 39(1)(j) Income Tax Act 1967 – Deductions not allowed

Issues : Whether the “handling & repacking” charges paid by Teraju Sinar Sdn. Bhd. to Union Concept Manufacturers Pte. Ltd. a Singapore Company is disallowable under Section 39(1)(j) of the Income Tax, 1967

Decision : The Appellant’s appeal allowed.
The Court of Appeal had overruled the High Court’s judgment and reinstated the Deciding Order of the SCIT wherein the Court of Appeal held that the payments for “*handling and repacking*” charges are not allowable deductions and further allowed the appeal in respect of the SCIT order regarding the Customs Declaration Fees.

Status : The Court of Appeal had issued grounds of judgment dated 21.4.2014. No right of further appeal.

Date of Judgment : 21.4.2014