

INCOME TAX (DEDUCTION FOR PAYMENT OF PREMIUM TO MALAYSIA DEPOSIT INSURANCE CORPORATION) RULES 2013

PU (A) 29
30 January 2013

IN exercise of the powers conferred by paragraph 154(1)(b) of the Income Tax Act 1967 [Act 53], the Minister makes the following rules:

CITATION AND COMMENCEMENT

- 1(1)** These rules may be cited as the **Income Tax (Deduction for Payment of Premium to Malaysia Deposit Insurance Corporation) Rules 2013**.
- 1(2)** These Rules are deemed to have effect from the year of assessment 2005 until the year of assessment 2010 for a financial institution provided in paragraph 36(1)(a) of the Malaysia Deposit Insurance Corporation Act 2011 [Act 720].
- 1(3)** These Rules are deemed to have effect from the year of assessment 2011 and subsequent years of assessment for a financial institution provided in subsection 36(1) and a takaful operator or an insurance company provided in subsection 36(2) of the Malaysia Deposit Insurance Corporation Act 2011.

APPLICATION

- 2** These Rules apply to a member institution specified in subsections 36(1) and (2) of the Malaysia Deposit Insurance Corporation Act 2011.

DEDUCTION

- 3(1)** For the purpose of ascertaining the adjusted income of a member institution from its business for a basic period for a year of assessment, there shall be allowed a deduction of an amount equivalent to the first premium or annual premium paid by that member institution to the Malaysia Deposit Insurance Corporation for that year of assessment.
- 3(2)** For the purpose of subrule (1), the amount of deduction for premium paid shall be as determined under—
 - (a) sections 42, 43 and 44 of the Malaysia Deposit Insurance Corporation Act 2005 [Act 642] in respect of a member institution under paragraph 36(1)(a) of the Malaysia Deposit Insurance Corporation Act 2011; or
 - (b) sections 47, 48 and 49 or sections 71, 72 and 73 of the Malaysia Deposit Insurance Corporation Act 2011 in respect of a member institution under subsections 36(1) and (2) of the Malaysia Deposit Insurance Corporation Act 2011.

REVOCATION

- 4** The Income Tax (Deduction for Payment of Premium to Malaysia Deposit Insurance Corporation) Rules 2011 [*P.U. (A) 379/2011*] are revoked.