

INCOME TAX (EXEMPTION) (NO. 12) ORDER 2021

P.U. (A) 478
22 December 2021

IN exercise of the powers conferred by paragraph 127(3)(b) of the Income Tax Act 1967 [Act 53], the Minister makes the following order:

CITATION AND COMMENCEMENT

- 1(1) This order may be cited as the **Income Tax (Exemption) (No. 12) Order 2021**.
- 1(2) This Order has effect from the year of assessment 2020 until the year of assessment 2025.

INTERPRETATION

2 In this Order—

“arts or cultural activities” means a stage performance approved by the Ministry of Tourism, Arts and Culture and organized with participation of foreign nationals who have performed at least three performances in any countries other than their own;

“promoter” means a company incorporated under the Companies Act 2016 [Act 777], or a society or organization registered under the Societies Act 1966 [Act 335];

“sports or recreational competition of international standard” means any sporting event or recreational activity approved by the Ministry of Youth and Sports and organized in any form with the participation of foreign nationals from a number of countries.

EXEMPTION

- 3(1) The Minister exempts a promoter for any arts or cultural activities or sports or recreational competition of international standard from the payment of income tax on fifty per cent of the statutory income derived from the organization of such activities.
- 3(2) The exemption granted under subparagraph (1) shall only apply if—
 - (a) the arts or cultural activities is held in Malaysia at the Istana Budaya, National Visual Arts Gallery or Petronas Philharmonic Hall; or
 - (b) the sports or recreational competition of international standard is held in Malaysia.
- 3(3) Nothing in this subparagraph (1) shall absolve or be deemed to have absolved the promoter from complying with any requirement to submit any return or statement of accounts or to furnish any other information under the Act.

SEPARATE ACCOUNT

- 4 The promoter shall maintain a separate account for the income derived from the organization of any arts or cultural activities or sports or recreational competition of international standard in Malaysia.

APPLICATION OF PARAGRAPHS 5 AND 6 OF SCHEDULE 7A TO ACT

- 5 Paragraphs 5 and 6 of Schedule 7A to the Act shall apply, mutatis mutandis, to the amount of statutory income exempted under subparagraph 3(1).