

INCOME TAX (ACCELERATED CAPITAL ALLOWANCE) (INFORMATION AND COMMUNICATION TECHNOLOGY EQUIPMENT) RULES 2024

PU (A) 328
22 October 2024

IN exercise of the powers conferred by paragraph 154(1)(b) of the Income Tax Act 1967 [Act 53], read together with paragraphs 10 and 15 of Schedule 3 to the Act, the Minister makes the following rules:

CITATION AND COMMENCEMENT

- 1(1)** These rules may be cited as the **Income Tax (Accelerated Capital Allowance) (Information and Communication Technology Equipment) Rules 2024**.
- 1(2)** These Rules have effect from the year of assessment 2024.

ACCELERATED CAPITAL ALLOWANCE

- 2(1)** A person who is a resident in Malaysia and has incurred a capital expenditure in the basis period for a year of assessment from a source consisting of his business in relation to the purchase of any information and communication technology equipment specified in the Schedule for the use of his business may claim for an accelerated capital allowance under these Rules in accordance with the initial allowance under rule 3 and annual allowance under rule 4.
- 2(2)** For the purposes of these Rules, the purchase of any information and communication technology equipment shall include the installation of the information and communication technology equipment.

INITIAL ALLOWANCE

- 3** The person is qualified to claim for an initial allowance as provided for in paragraph 10 of Schedule 3 to the Act which is equivalent to two-fifth of the capital expenditure incurred for the purchase of any information and communication technology equipment specified in the Schedule.

ANNUAL ALLOWANCE

- 4** The person is qualified to claim for an annual allowance as provided for in paragraph 15 of Schedule 3 to the Act which is equivalent to one-fifth of the capital expenditure incurred for the purchase of any information and communication technology equipment specified in the Schedule.

NON-APPLICATION

- 5** These Rules shall not apply if the person, in respect of the purchase of any information and communication technology equipment specified in the Schedule—
 - (a) has been granted any investment tax allowance under the Promotion of Investments Act 1986 [Act 327];
 - (b) has claimed any reinvestment allowance under Schedule 7A to the Act;
 - (c) has claimed any investment allowance for service sector under Schedule 7B to the Act;

- (d) has claimed any accelerated capital allowance under any rules made under section 154 of the Act; or
- (e) has been granted an exemption under paragraph 127(3)(b) or subsection 127(3A) of the Act in relation to statutory income of the person which is equivalent to any part or the whole of the amount of the capital expenditure incurred by the person.

REVOCATION

- 6** The Income Tax (Accelerated Capital Allowance) (Information and Communication Technology Equipment) Rules 2018 [P.U. (A) 156/2018] are revoked.

SCHEDULE

[RULE 2]

Access control system

Banking system

Bar code equipment

Burster or decollator

Cable and connector

Computer-aided design

Computer-aided manufacturing

Computer-aided engineering

Card reader

Computer and component

Central processing unit

Storage

Screen

Printer

Scanner or reader

Accessories

Communication and network

Software system or software package