

INCOME TAX (DEDUCTION FOR EXPENDITURE ON PROVISION OF EMPLOYEES' ACCOMMODATION) RULES 2021

PU (A) 470
24 December 2021

IN exercise of the powers conferred by paragraph 154(1)(b) read together with paragraph 33(1)(d) 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 Expenditure on Provision of Employees' Accommodation) Rules 2021**.
- 1(2)** These Rules have effect from the year of assessment 2021.

INTERPRETATION

2 In these Rules:-

“accommodation” has the meaning assigned to it in the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 [Act 446];

“company” means a company resident in Malaysia—

- (a) which is incorporated under the Companies Act 2016 [Act 777];
- (b) which is carrying on the business of manufacturing or manufacturing related services; and
- (c) which has obtained an approval of compliance under the Safe@Work programme from the Ministry of International Trade and Industry.

DEDUCTION

- 3(1)** For the purpose of ascertaining the adjusted income of a company from its business in a basis period for a year of assessment, a deduction shall be allowed for an amount equivalent to the expenses incurred by the company on rental of a premise for the purpose of employees' accommodation within the period from 1 January 2021 until 31 December 2022.
- 3(2)** The total amount of expenses allowed under subrule (1) shall not exceed fifty thousand ringgit for each company.
- 3(3)** The amount of deduction allowed under these Rules shall be in addition to any deduction allowable under section 33 of the Act.
- 3(4)** Employees' accommodation referred to in subrule (1) shall be accommodation certified with a Certificate for Accommodation as provided under section 24D of the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990, but excludes accommodation for director.