



# Deloitte Tax Challenge 2011

## Individual Category – Stage 1

1. Forever Young Sdn Bhd (a company with 31 December year-end and paid-up capital of RM4 million) has been carrying on its business since the year 2003. On 17 December 2009, the company purchased a photocopier machine and put it to use in its business on 21 March 2010. The year of assessment and the rate of annual allowance that the company can claim capital allowance is:-
  - A. Year of assessment 2009 at 10%
  - B. Year of assessment 2010 at 10%
  - C. Year of assessment 2009 at 40%
  - D. Year of assessment 2010 at 40%**
  
2. An individual can qualify for tax resident status in Malaysia for the basis year for a year of assessment 2010 if:-
  - I. He is in Malaysia for a period of 101 days in the basis year 2010 and stayed in Malaysia in the basis year 2006 (95 days), basis year 2007 (183 days), basis year 2008 (30 days) and basis year 2009 (153 days).
  - II. He is in Malaysia for a period of 200 days.
  - III. He is in Malaysia for 30 days and that period is linked by the basis year 2009 of 172 consecutive days (total of 202 days).
  - A. I only
  - B. III only
  - C. I & II only**
  - D. None of the above
  
3. DBest Pte Ltd (Singapore) provided technical services to its Malaysian subsidiary, LBest Sdn Bhd on 4 July 2011. On 29 August 2011, LBest Sdn Bhd paid DBest Pte Ltd the technical fees of RM50,000. When is the due date for the company to remit the withholding tax to the Inland Revenue Board (IRB).
  - A. 3 August 2011
  - B. 4 August 2011
  - C. 28 September 2011**
  - D. None of the above as the payment is exempted from tax



4. The following expenses do not qualify for an income tax deduction except for
- I. Rental of office
  - II. Entertainment for potential client
  - III. Secretarial fee
  - IV. Statutory audit fee
- A. I & IV only**
- B. III & IV only
  - C. II & III only
  - D. II & IV only
5. Which of the following entertainment expenses does not qualify for income tax deduction?
- I. Entertainment for annual general meeting of company.
  - II. Entertainment for company's annual dinner
  - III. Cash contribution for existing client's annual dinner.
  - IV. Entertainment given to potential or existing customers during the launching of company's new product
- A. I & II only**
- B. I & III only**
  - C. II & III only
  - D. III & IV only



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