

Deloitte Tax Challenge 2008 Individual Category – Stage 1

1. The source of Malaysian income tax is limited to:-
 - (a) Malaysian-sourced income plus foreign-sourced income received in Malaysia.
 - (b) residents on their Malaysian-sourced income.
 - (c) residents as well as non-residents on their Malaysian-sourced income.
 - (d) **above plus some residents on their worldwide income.**

2. According to the leading tax cases on determination of income from services, such income is generally derived in the jurisdiction where –
 - (a) the contract is signed.
 - (b) the payer is resident.
 - (c) **the services are rendered.**
 - (d) the person providing the service is paid.

3. In relation to group relief, Malaysia excludes the following companies from surrendering its losses –
 - (a) company with paid-up capital of ordinary shares not exceeding RM2.5 million.
 - (b) a pioneer company
 - (c) a company which has made a claim for reinvestment allowance
 - (d) **All of the above**

4. How is the residence status for a company determined under the Malaysian domestic law?
 - (a) According to the citizenship of the management director
 - (b) Country of incorporated of the company
 - (c) Principal place of business of the company
 - (d) **Place of exercise of management and control**

5. Which of the following travelling costs are tax deductible:-
 - (a) **Leave passage within Malaysia for employee and his immediate family for an annual company family day event**
 - (b) Leave passage costs for a company's annual trip to overseas
 - (c) Leave passage costs for a company's expatriate employee which has been duly declared in the employee's statement of remuneration
 - (d) None of the above is tax deductible



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