

**FREQUENTLY ASKED QUESTIONS (FAQ)
SPECIAL VOLUNTARY DISCLOSURE PROGRAMME 2.0
INLAND REVENUE BOARD OF MALAYSIA**

UPDATED ON 02 JUNE 2023

NO.	QUESTION	ANSWER
A. INTRODUCTION / PURPOSE		
1.	What is the Special Voluntary Disclosure Programme (SVDP) 2.0 all about?	<p>SVDP 2.0 is one of the government's efforts to encourage taxpayers to come forward voluntarily and declare their income accordingly during the program implementation period. This is an initiative of the Inland Revenue Board of Malaysia (IRBM) to support the pillars of sustainability in the tax administration in line with the concept of Malaysia Madani. This programme provides an opportunity for taxpayers to increase their level of tax compliance based on the AES (Awareness, Education, Service) concept practised at the IRBM.</p> <p>The voluntary disclosure under SVDP 2.0 includes:</p> <ol style="list-style-type: none"> a. Declaration of undeclared / under-declared income, overclaimed / disallowed expenses / claims, overclaimed relief / deductions / rebates and overclaimed capital allowances / incentives; b. Declaration of asset disposal; and c. Stamping of documents / agreements that are not stamped within the stipulated time.
2.	When will this SVDP 2.0 be implemented?	SVDP 2.0 will be implemented for the period of 06 June 2023 until 31 May 2024.

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3.	What benefits can I get from this SVDP 2.0?	<p>Through SVDP 2.0, the penalty rates which will be imposed are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Category of Voluntary Disclosure</th> <th style="text-align: center;">Penalty Rate</th> </tr> </thead> <tbody> <tr> <td>New taxpayers</td> <td style="text-align: center;">0%</td> </tr> <tr> <td>Existing taxpayers who: <ul style="list-style-type: none"> a. have not submitted the Income Tax Return Form (ITRF) for any year of assessment involved; b. have submitted the ITRF but did not report income accurately in accordance with the IRBM rulings that are in force for the year(s) of assessment involved. </td> <td style="text-align: center;">0%</td> </tr> <tr> <td>Taxpayers who have not declared disposal of assets for the year(s) of assessment involved.</td> <td style="text-align: center;">0%</td> </tr> <tr> <td>Duty payer who submits document / agreement that has been executed (signed) on or before 01 May 2023 for stamping from 06 June 2023 to 31 May 2024.</td> <td style="text-align: center;">0%</td> </tr> </tbody> </table> <p>Taxpayers are advised to take the opportunity to participate in this SVDP 2.0 to avoid audit enforcement actions with penalties imposed based on the Tax Audit Framework currently in force.</p>	Category of Voluntary Disclosure	Penalty Rate	New taxpayers	0%	Existing taxpayers who: <ul style="list-style-type: none"> a. have not submitted the Income Tax Return Form (ITRF) for any year of assessment involved; b. have submitted the ITRF but did not report income accurately in accordance with the IRBM rulings that are in force for the year(s) of assessment involved. 	0%	Taxpayers who have not declared disposal of assets for the year(s) of assessment involved.	0%	Duty payer who submits document / agreement that has been executed (signed) on or before 01 May 2023 for stamping from 06 June 2023 to 31 May 2024.	0%
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4.	What does SVDP 2.0 mean for stamp duty?	SVDP 2.0 for stamp duty offers a full waiver of penalty imposition on any document / agreement that has been executed (signed) on or before 01 May 2023 and has yet to be / has not been stamped.
B. CATEGORY OF TAXPAYERS		
5.	Who is eligible to participate in SVDP 2.0?	<p>Eligible taxpayers are:</p> <ul style="list-style-type: none"> a. New taxpayers who have never declared income to the IRBM but have commenced a business or have received income. b. Taxpayers who have previously declared income to IRBM and still have income / additional income not declared. c. Taxpayers who have not declared disposal of assets. d. Duty payer who submits any document / agreement that has been executed (signed) on or before 01 May 2023 for stamping from 06 June 2023 to 31 May 2024.
6.	What does “new taxpayer” mean?	The new taxpayer referred to under SVDP 2.0 is a taxpayer who has yet to obtain or has obtained Tax Identification Number (TIN) and will be declaring income for the first time.

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7.	What are the categories of taxpayer files and the provisions of the act involved in this SVDP 2.0?	<p>This SVDP 2.0 involves all categories of taxpayer files under the provisions of the Income Tax Act (ITA) 1967 / Real Property Gains Tax Act (RPGTA) 1976 / Stamp Act (SA) 1949.</p> <p>The provisions of the law under ITA 1967 / RPGTA 1976 / SA 1949 relate to the imposition of penalties and surcharges as follows:</p> <ul style="list-style-type: none"> a. Subsection 112(3) ITA 1967 b. Subsection 113(2) ITA 1967 c. Subsection 140A(3C) ITA 1967 d. Subsection 29(3) RPGTA 1976 e. Subsection 47A(1) SA 1949 <p>However, SVDP 2.0 does not involve the employer file category.</p>
8.	Does this voluntary disclosure applicable to non-resident taxpayers?	Yes. This SVDP 2.0 applies to all categories of non-resident taxpayers.
9.	Can I make a voluntary disclosure on behalf of a deceased taxpayer?	Yes, you can provided you are the legal administrator of the estate of the deceased.
10.	As an employer, I have yet to remit the Monthly Tax Deduction (MTD) on behalf of my employees. Can I make a voluntary disclosure under SVDP 2.0?	No. The employer file category does not fall under the category of taxpayers eligible for SVDP 2.0. The responsibility of the employer to remit the proper MTD payment is in accordance with the procedures in force.

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11.	I am one of the partners of ABC Partnership. Can I make a voluntary disclosure for this partnership file?	Voluntary disclosure of partnership income shall be made on a partnership file with the consent of all partners. Each partner who also chooses to participate in SVDP 2.0 will be entitled to the penalty rate under SVDP 2.0.
C. YEAR OF ASSESSMENT INVOLVED		
12.	What assessment year is covered by SVDP 2.0?	<p>Voluntary disclosure can be made by eligible taxpayers and the year(s) of assessment involved are as follows:</p> <p>a. For new taxpayers, income declaration is for the year of assessment 2022 and its preceding year(s).</p> <p>b. For existing taxpayers who have previously declared income to IRBM, the year of assessment involved is the year of assessment 2021 and its preceding year(s).</p> <p>c. For Real Property Gains Tax (RPGT), the asset disposal declaration is for the year of assessment 2022 and its preceding year(s).</p>
13.	Does voluntary disclosure involve time barred period?	<p>Yes, all voluntary disclosures for prior year's income will be assessed appropriately based on the year(s) of assessment as provided under the tax law.</p> <p>For RPGT, voluntary disclosure of the asset disposal declaration in the preceding year will be assessed based on the year of assessment when the asset was disposed of.</p>
14.	Will voluntary disclosure of the prior year's income be taxed in the year the income is received?	All voluntary disclosures of income in the preceding year(s) will be taxed in the appropriate year of assessment as provided under the tax law.

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D. AUDIT / INVESTIGATION CASE		
15.	Will my declaration of voluntary disclosure be reviewed?	<p>Under SVDP 2.0, taxpayers must make accurate income declarations and tax computations in accordance with the IRBM rulings that are in force. A review will be carried out to ensure the accuracy of the tax computations (mathematical / calculation error) based on the voluntary disclosures submitted.</p> <p>During the implementation period of this programme, IRBM will receive the voluntary disclosure information in good faith. A review of either audit / investigation will not be carried out on the year(s) of assessment relating to the income declared voluntarily.</p>
16.	Can I participate in this SVDP 2.0 if I am currently being audited / investigated?	<p>Taxpayers are not eligible to participate in SVDP 2.0 for any Year of Assessment (YA) where the commencement of audit / investigation action has been initiated.</p> <p>The meaning of audit action commencement is as outlined in the Tax Audit Framework in force.</p> <p>Example:</p> <p>Taxpayers are being audited for YA 2020 and YA 2021. Taxpayers are not eligible to participate in SVDP 2.0 for YA 2020 and YA 2021. Taxpayers are still eligible to participate in SVDP 2.0 for YA 2019 and its preceding year(s).</p>

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17.	I have failed to make a tax payment on a voluntary disclosure made. In the future if I am being audited, will the penalty under SVDP 2.0 be maintained?	<p>Taxpayers who fail to make tax payments within the stipulated period may be subject to audit / investigation action in the future. The imposition of penalties on the audit / investigation findings (if any) is based on the provisions currently in force and the penalties offered under SVDP 2.0 will not apply to this audit / investigation findings.</p> <p>Example:</p> <p>The taxpayer joined SVDP 2.0 for YA 2020 on 01 July 2023 and failed to make payment within the stipulated period. In year 2025 the taxpayer's case was selected for audit because there was information on unreported income for YA 2020. There are audit findings for YA 2020 and penalties will be imposed based on the Tax Audit Framework currently in force on these findings.</p>

E. VOLUNTARY DISCLOSURE PROCEDURE

18.	Can a voluntary disclosure be made via phone call / WhatsApp app/ social media?	<p>No. Voluntary disclosures should be made through the following methods:</p> <ol style="list-style-type: none"> a. For new taxpayers, ITRF / Real Property Gains Tax Return Form (RPGTRF) must be submitted within the implementation period of SVDP 2.0, either by e-Filing/ e-CKHT or manual forms. b. For existing taxpayers: <ol style="list-style-type: none"> i. Did not submit ITRF / RPGTRF. ITRF/ RPGTRF must be submitted within SVDP 2.0, either by e-Filing / e-CKHT or manual forms. ii. Has submitted ITRF but there is undeclared income. The voluntary disclosure must be
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		<p>submitted through the SVDP 2.0 Link accessible on IRBM Official Portal https://www.hasil.gov.my / MyTax using the SVDP 2.0 Additional Income Reporting Form and tax computation. The tax computation should only be submitted by taxpayer with company, business, and partnership file category.</p> <p>c. For voluntary disclosure involving transfer pricing issues, Voluntary Disclosure Form for Transfer Pricing Case can be downloaded from IRBM Official Portal. The completed form together with attachments must be submitted to the IRBM office handling the taxpayer's file or to the nearest IRBM office.</p> <p>d. For duty payers, the documents / agreements must be submitted through Stamp Assessment And Payment System (STAMPS) for the stamping process.</p>
19.	I have never registered with IRBM. How do I register an income tax file?	<p>Since 2023, all taxpayer files will be automatically registered with Tax Identification Number (TIN). Taxpayers can check the income tax registration file number through:</p> <p>a. Online through the e-Daftar application in the MyTax Portal at https://mytax.hasil.gov.my; or</p> <p>b. Nearest IRBM service counter.</p> <p>If you have any further questions / queries on this matter, please contact the Hasil Care Line at 03-89111000/ 603-89111100 (overseas).</p>

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NO.	QUESTION	ANSWER
20.	Can I make a voluntary disclosure before the SVDP 2.0 implementation period begins?	Taxpayers will not be prevented from making voluntary disclosures before the implementation period of SVDP 2.0 but will not be considered as their participation in this SVDP 2.0. This means, the penalty to be imposed is subject to the Tax Audit Framework currently in force. The reduction of the penalty will be considered on the grounds of the appeal submitted.
21.	I have not submitted ITRF / RPGTRF but have made a voluntary disclosure by letter or e-mail. Do I need to submit ITRF / RPGTRF?	Yes. For taxpayers who have not submitted ITRF / RPGTRF, taxpayers are required to submit ITRF / RPGTRF via e-Filing / e-CKHT / manual forms to participate in this SVDP 2.0.. Voluntary disclosure submitted by letter or e-mail will not be accepted because it does not comply with the conditions of SVDP 2.0.
22.	I have never registered a business with the Companies Commission of Malaysia (SSM). Can I report my income through SVDP 2.0?	Yes, you can. Taxpayers must first register with IRBM to obtain Tax Identification Number (TIN) and subsequently submit ITRF / RPGTRF for the relevant year(s) of assessment.
23.	If the audited account is not yet available, can I make a voluntary disclosure based on the Management Account?	Yes, you can. IRBM will receive voluntary disclosure information made within the SVDP 2.0 implementation period. However, if there is any difference after the Management Account has been audited, the taxpayer must make the appropriate amendments and the penalty rate under SVDP 2.0 shall still apply.
24.	Do supporting documents need to be submitted together with a voluntary disclosure?	Not necessary.

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25.	Can I make a voluntary disclosure even if I am not sure whether I am eligible or not taxable?	<p>The clarification of whether the taxpayer is eligible or not taxable can be obtained from the IRBM officer at any State IRBM / Special Branch before a voluntary declaration is made.</p> <p>In addition, taxpayers may also contact:</p> <p>a. HASiL Live Chat;</p> <p>b. HASiL Care Line at 03-89111000/ 603-89111100 (overseas); or</p> <p>c. Nearest IRBM service counter.</p>
26.	How can I appeal for the exemption of the imposition of stamp duty penalty under SVDP 2.0?	Duty payers can submit an appeal for the exemption of penalty online through STAMPS.
F. PAYMENT RULES		
27.	When should tax payments for voluntary disclosure be paid?	<p>The taxpayer must make a lump sum tax payment within 30 days from the date of notice or in instalments based on the agreed instalment payments arrangement until the end of the SVDP 2.0 implementation period.</p> <p>The application for instalment payment must be submitted through the SVDP 2.0 Link accessible on IRBM Official Portal / MyTax using the SVDP 2.0 Instalment Payment Application Form.</p>
28.	If there is no tax payment made until the end of the SVDP 2.0 period, what is the action that will be taken against me?	<p>If the taxpayer fails to settle the balance of tax payment at the end of the stipulated period, the tax increase will be charged based on the provisions of the tax law in force.</p> <p>If the tax arrears are not paid within the stipulated period, legal action may be taken and taxpayers can be audited / investigated in the future.</p>

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G. APPEAL		
29.	If I have filed an appeal through Form Q, can I make a voluntary disclosure?	Taxpayers can make a voluntary disclosure if it does not involve a reduced assessment.
30.	If I have made a voluntary disclosure within the implementation period of SVDP 2.0, can I appeal for a reduction in tax on the assessment raised?	Appeals can be filed in accordance with the appeal procedure currently in force.
H. INCOME RECEIVED / KEPT ABROAD		
31.	<p>I have income earned from Malaysia and kept in a bank account abroad.</p> <p>a. Is this income subject to tax imposition in Malaysia?</p> <p>b. Am I eligible to participate in SVDP 2.0 if I have never declared the income?</p>	<p>a. Income earned or derived from Malaysia even if held in a bank account abroad is subject to income tax in Malaysia. The taxpayer is obliged to declare this income.</p> <p>b. Taxpayers are eligible to participate in SVDP 2.0 if the income is not declared and tax is not paid in Malaysia. The taxpayer must declare the income based on the year(s) of assessment it was received and subject to the terms and conditions.</p>
32.	Is foreign source income eligible to participate in SVDP 2.0?	<p>As of 1 January 2022, overseas income received in Malaysia by residents is subject to the imposition of income tax in Malaysia. However, there is a tax exemption given in respect of overseas income received in Malaysia by residents who are subject to certain terms and conditions.</p> <p>If the income received is not subject to tax exemption, the income should be reported in the tax declaration for the Year of Assessment 2022.</p>

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		<p>Refer to the <u>Guidelines on Tax Treatment on Income Received From Abroad (Amendment)</u> dated 29 December 2022 accessible from the IRBM Official Portal for more information.</p> <p>If the income is not reported, only new taxpayers are eligible to participate in SVDP 2.0 subject to the terms and conditions of the income received. New taxpayers are eligible to participate in SVDP 2.0 as it involves the Year of Assessment 2022.</p>
33.	What is meant by the foreign income received in Malaysia?	<p>Received in Malaysia means remitted or brought into Malaysia in the form of:</p> <p>a. Cash or fund transfer; or</p> <p>b. Cash and fund transfer.</p> <p>The remittance performed will have to meet the legislation in force.</p>
I. TRANSFER PRICING		
34.	Does SVDP 2.0 apply to Transfer Pricing (TP) issues?	<p>Voluntary disclosures for TP issues is subject to the Criteria and Procedures for Voluntary Disclosures of TP Cases outlined in the Transfer Pricing Audit Framework in force. The surcharge offered under this SVDP 2.0 is 0%.</p>
35.	Who is eligible for the benefits offered under the SVDP 2.0 that involve TP issues?	<p>Taxpayers who carry out controlled transactions with related companies are eligible for voluntary disclosure for TP issues except for taxpayers who carry out controlled transactions between persons who are both assessable and taxable in Malaysia and where it can be proved that any adjustments made under the Guidelines will not change the amount of tax payable or incurred by both persons.</p>

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36.	Are taxpayers who are currently being audited eligible to participate in SVDP 2.0 for TP issues?	Not eligible. If the audit action has commenced, the taxpayer is not eligible to participate in this SVDP 2.0.
37.	In which situation is the audit action considered to have been commenced?	The meaning of the commencement of audit action is as outlined in the Transfer Pricing Audit Framework in force.
J. CONTACT US		
38.	Who can I contact if I have any questions related to SVDP 2.0?	<p>Taxpayers can contact:</p> <ul style="list-style-type: none"> a. HASiL Live Chat; b. HASiL Care Line at 03-89111000 / 603-89111100 (overseas); or c. Nearest IRBM service counter.