

COURSE OUTLINE

Department & Faculty: Department of Mechanical Engineering & Management Centre for Diploma Studies, SPACE, UTM	Page :
Course Code : Taxation 1 (DDWW 2513) Total Contact Hours : 4 hours x 14 weeks Lecture 3 hrs Tutorial 1 hour	Semester : Academic Session :

Lecturer : Room No. : Telephone No. : E-Mail :	
Synopsis : This course is design to expose the student every detail aspects of personal taxation in Malaysia. It will focus on types of taxable income such as business income, employment income and unearned revenue, types of relief and rebate and status of residents. Besides that, this course also introduces some theories on administration of taxation in Malaysia. This course will also emphasize topics on business income and business expenses for sole-proprietor. At the end of the course, the student should be able to apply the theory and prepare personal taxation to arrive at tax payable for each related year of assessment.	

LEARNING OUTCOMES

By the end of this course, students should be able to:

No.	Course Learning Outcome	Programme Learning Outcome(s) Addressed	Taxonomy and Soft skills Levels	Assessment Methods
1.	Explain tax administration in Malaysia and the functions of Inland Revenue Board.	PLO1	C1	Quiz, Test
2.	Differentiate between return, assessment, collection, appeal, penalty and offences. Determine the residence status for an individual and company.	PLO1	C3	Quiz, Test, Final Exam
3.	Calculate the Total Income and Net Tax Payable for individual, the Capital Allowances available to company who owned fixed assets and the net tax payable for business taxation for sole proprietor	PLO3	P2, CTPS1-2	Quiz, Test, Assignment, Final Exam
4.	Develop qualities of an effective team player and reporting information.	PLO5	A3, TS1	Assignment & Presentation

Prepared by (Head of Programme) Name : Hasliza Husin Signature : Date :	Certified by (Head of Department) Name : Mohamad Shafie Abdul Rashid Signature : Date :
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STUDENT LEARNING TIME

Teaching and Learning Activities	Student Learning Time (Hours)
1. Face to face Learning <ul style="list-style-type: none"> a. Lecture b. Tutorial c. SCL Activities 	35 14 7
2. Independent Study <ul style="list-style-type: none"> a. Non Face to face learning or SCL b. Revision c. Evaluation 	34 15 9
3. Formal evaluation <ul style="list-style-type: none"> a. Tests b. Quizzes c. Final examination 	2 1.5 2.5
Total	120

TEACHING METHODOLOGY

Lecture and Discussion, Co-operative Learning, Independent Study, Individual/Group Assignment, Presentation

WEEKLY SCHEDULE

Week 1	:	1.0 INTRODUCTION AND SCOPE OF CHARGE
		1.1 Definition and Objectives of Taxation
		1.2 History of Taxation in Malaysia
		1.3 Functions of Inland Revenue Board (IRB)
		1.4 Types of Taxation

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	1.5	Section 2 & Section 3 Income Tax Act 1967
	1.6	Meaning of Accrued, Derived and Received
Week 2	: 2.0	INCOME TAX ADMINISTRATION
	2.1	Self-Assessment for Individuals
	2.2	Self-Assessment for Companies, Trust Bodies or Co-operative Societies
	2.3	Collection and Recovery
	2.4	Appeals
	2.5	Penalties and Offences
Week 3	: 3.0	RESIDENT STATUS
	3.1	Individual Resident Status – Section 7(1)(a)-7(1)(d)
	3.2	Company Resident Status – Section 8(1)(b)
Week 4	: 4.0	BASIS OF TAX CHARGEABLE
	4.1	Basis Period
	4.2	Gross Income
	4.3	Adjusted Income and Adjusted Loss
	4.4	Unabsorbed Business Loss
	4.5	Statutory Income, Aggregate Income and Total Income
	4.6	Dividend Income Deemed Total Income
	4.7	Chargeable Income
	4.8	The Tax Rate
Week 5-6	: 5.0	EMPLOYMENT INCOME
	5.1	Introduction – Section 4(b), Section 13(1)
	5.2	Calculation of Employment Income – Section 13(1)(a) – Section 13(1)(e)
	5.3	Basis Period – Section 25
	5.4	Tax Deduction – Limits Allowable, Calculation of Adjusted Income
	5.5	Joint Assessment – Implications of Separate Assessment
	5.6	Employment and Professional – Definition of “Employment and Professional”, Definition of Employment (Section 2), Relevant Legal Cases, the Importance of Differentiating between Employment and Professional.
Week 7-8	: 6.0	UNEARNED INCOME
	6.1	Other Types of Income Apart from Business and Professional Sources
	6.2	Section 4(c) – Dividend, Interest, Discounts
	6.3	Section 4(d) – Rental, Royalty, Premiums
	6.4	Section 4(e) – Annuities, Alimony
	6.5	Section 4(f) – Other Income

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Week 9	: 7.0 PERSONAL RELIEF AND REBATES
	7.1 Self Relief – Section 46(a)-(g)
	7.2 Spouse Relief – Section 47
	7.3 Children Relief – Section 48
	7.4 Contribution to EPF and Insurance Premium
	7.5 Other Deductions – Donation (Section 44(6), Tax Rebates (Section 6A))
Week 10-11	: 8.0 CAPITAL ALLOWANCE
	8.1 Definition – Schedule 3
	8.2 Qualified Expenses for Plant and Machineries – Para 2, Schedule 3
	8.3 Definition of Plant and Machineries – Legal Cases
	8.4 Forms of Allowances – Preliminary Allowance, Annual Allowance, Balancing Allowances and Charges
Week 12-13	: 9.0 BUSINESS INCOME AND EXPENSES
	9.1 Taxation on Business/Professional Income – Section 82
	9.2 Calculation of Total Income - Gross Income (Section 22), Adjusted Income/Losses
	9.3 (Section 40 & 41), Statutory Income (Section 42), Aggregate Income (Section 43),
	9.4 Total Income (Section 44)
	9.5 Allowance Expenses – Section 33 & 34
	9.6 Non-Allowable Expenses – Section 39
Week 14	: 10.0 PERSONAL TAXATION
	10.1 Non-Business Source – Section 4(b) – 4(f)
	10.2 Employment Income – Section 4(b)
	10.3 Dividend Income – Section 4(c)
	10.4 Interest Income – Section 4(c)
	10.5 Rental Income – Section 4(d)
	10.6 Relief
** (TOTAL OF 15 LECTURE WEEKS INCLUDING 1 WEEK MID SEMESTER BREAK)	

REFERENCES	Main Text:
	Chong Kwai Fatt, Malaysian Taxation: Principle & Practice, 16 th Edition, Infoworld 2016.

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	Other Reference: Veerinderjeet Singh, Malaysian Taxation: Administrative & Technical Aspects, 3 rd Edition, Longman 1997 Income Tax Act 1967
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GRADING

No	Assessment Method	PLO	Number	PPD & PSM Assessment (%)	PPK Assessment (%)	Implementation Dates
1	Quiz	PLO1 PLO3	5	10	10	Week 1 - 14
2	Test	PLO1 PLO3	2	30	20	Week 5, 11
3	Assignment & Presentation	PLO3 PLO5	1	10	10	Week 9 - 13
4	Final exam	PLO1 PLO3	1	50	60	Week 17 - 19
	Overall Total			100	100	