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IT IS A GOOD TIME FOR A RISE IN PERSONAL TAX RELIEF BY LONG YEN PING, TAX EXECUTIVE DIRECTOR IN KPMG MALAYSIA

畢馬威（KPMG）稅務服務執行董事龍燕萍 個人稅務減免增加合時宜

●由於政府收入大減，首相之前已暗示這是個艱難的預算案。希望減所得稅的納稅人將感到失望。一般預期，在實施6%消費稅後，個人所得稅應相應降低，但只在2015年降低1至3%。

政府反而建議提高富人稅至26%和28%，此增稅在大馬是前所未見，但並非新鮮事，其它國家已這麼做。新加坡已增加稅率2%，這只會影響高收入者。

雖然政府未降低個人所得稅，至少預算案提供了一些稅務減免，包括子女和配偶的扣稅額增加1千令吉，子女接受高教育的扣稅額也增加2千令吉。

奉養父母獲得新的稅務減免也受到歡迎，但是如果納稅人已經對父母的醫藥費申報5千令吉扣稅，則不能再獲享此稅務減免。如果相同的減免可提供給祖父母和配偶的父母，將更值得讚賞。

Synopsis:

The Prime Minister has previously hinted that it will be tough to deliver the 2016 Budget. Individual taxpayers who are hoping for a further reduction in personal income tax rates are left disappointed. There is a general expectation of the Rakyat since Goods and Services Tax is at 6%, there should be a corresponding reduction in personal income tax rates. However, there was only a reduction of 1 to 3 percentage points for personal tax rates from 2015.

Instead, the Government has just proposed that there would be an increase in the tax rate for the rich to 26% and 28%. The increase tax rate is an unprecedented move in Malaysia, but it is not something new as there are other countries which had done so. Singapore has increased the tax rate by 2%. This would only come as a shock to the high income earners since it would impact them.

Although there is no reduction in the personal income tax rates, at least the Budget has provided some tax breaks in the form of an increased relief of RM1, 000 for child and spouse respectively. There would be an increased relief of RM2, 000 for child who is pursuing higher education. It is welcoming to note that a new relief for parents who support their dependent parents. However, such relief is not claimable if the taxpayers are claiming the current relief up to RM5,000 for expenses expended for medical treatment and care of parents. It would be more laudable if similar relief is also given to parents-in-law and grandparents.