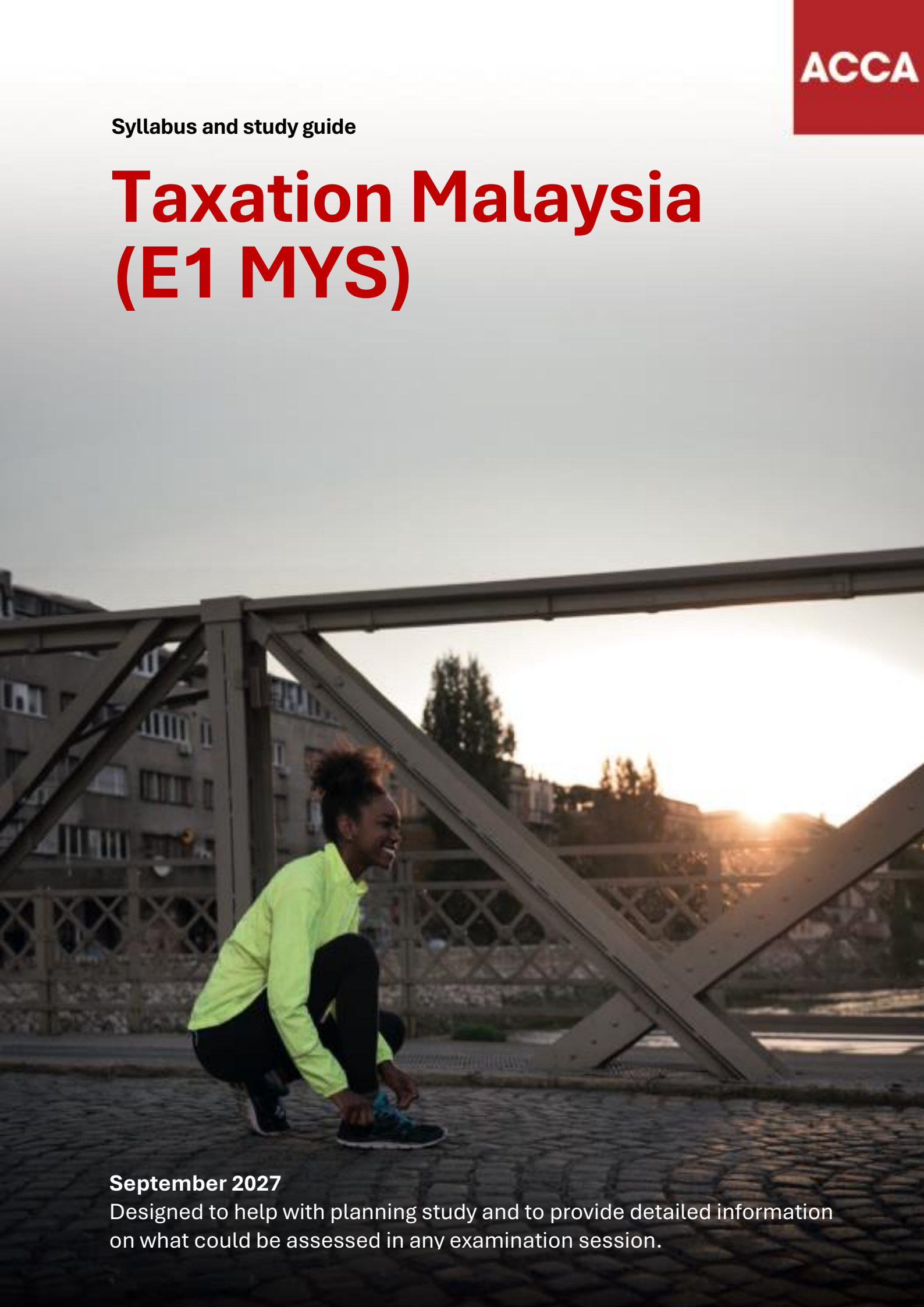
Syllabus and study guide

Taxation Malaysia (E1 MYS)



September 2027

Designed to help with planning study and to provide detailed information on what could be assessed in any examination session.

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1. Overall aim of the syllabus

The overall aim of the syllabus is to develop and enable the application of technical knowledge and skills relating to the Malaysian tax system as applicable to individuals, single companies and groups of companies.

2. Introduction to the syllabus

The syllabus for E1 Taxation (E1 MYS) starts by introducing candidates to the functions and systems applicable to Malaysian tax, including sources of revenue law and practice, the system for self-assessment and the withholding of tax at source.

The syllabus then moves on to provide the core knowledge of the major technical areas of Malaysian tax as they affect the activities of individuals and businesses, beginning with income tax liabilities for individuals. The syllabus covers the taxation of income from employment, self-employment, investments and other sources, including the availability of exemptions and reliefs.

The next technical area covered by the syllabus is income tax liabilities for companies, in particular the income which is chargeable to income tax and how the income tax liability is calculated including exemptions and reliefs available.

The syllabus then addresses real property gains tax, including the principles of computing chargeable gains and allowable losses, the computation of tax payable and the use of exemptions and reliefs.

Lastly the syllabus covers sales tax and service tax, including the scope, registration requirements, computation and administration of each.

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3. Main capabilities

On successful completion of this course of study, candidates should be able to:

- Assess the operation and scope of the Malaysian tax system, the obligations of taxpayers, taxable persons, employers and/or their agents and the implications of non-compliance
- Analyse and calculate the income tax liabilities of individuals
- Analyse and calculate the income tax liabilities of companies
- Analyse and calculate real property gains tax
- Analyse and calculate sales tax
- Analyse and calculate service tax
- Assess the impact of relevant taxes which apply in a variety of business and personal contexts

4. Intellectual levels

The ACCA Qualification syllabus is designed to progressively broaden and deepen the technical knowledge, skills and professional values demonstrated by the candidate on their journey through the qualification.

The specific learning outcomes within the detailed syllabuses and study guides are assessed at one of three intellectual or cognitive levels:

Level 1: Knowledge and comprehension
Level 2: Application and analysis
Level 3: Synthesis and evaluation

Very broadly these intellectual levels relate to the three levels of the ACCA Qualification: Knowledge, Expertise and Strategic Professional.

Each learning outcome included in the detailed study guide is given a 1, 2 or 3 superscript, denoting its intellectual level. This gives an indication of the intellectual depth at which a learning outcome could be assessed within the examination. However, while Level 1 broadly equates with the Knowledge level, Level 2 to the Expertise level and Level 3 to the Strategic Professional level of the ACCA Qualification, some lower-level skills can continue to be assessed as the candidate progresses through each level. This reflects that at each stage of study there will be the requirement to broaden, as well as deepen, capabilities.

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5. The syllabus

A The Malaysian tax system and its administration

1. Malaysian taxes
2. Principal sources of revenue law and practice
3. The system for self-assessment, the making of returns, submission of information, claims and the procedures relating to compliance checks, appeals and disputes
4. Withholding of tax of source

B Income tax liabilities (individuals)

1. The scope of income tax
2. Income from employment
3. Income from self-employment
4. Income from investments and other sources
5. The comprehensive computation of chargeable income and income tax liability
6. The use of exemptions and reliefs in deferring and minimising income tax liabilities
7. The time limits, including payments on account and penalties for non-compliance

C Income tax liabilities (companies)

1. The scope of income tax
2. Income chargeable to income tax
3. The comprehensive computation of income tax liability
4. The time limits, including payments on accounts and penalties for non-compliance

D Real property gains tax

1. The scope of real property gains tax
2. The principles of computing chargeable gains and allowable losses
3. Gains and losses on the disposal of real property
4. The computation of real property gains tax payable
5. The use of exemptions and reliefs in deferring and minimising tax liabilities arising on the disposal of real property
6. The time limits, including payments on account and penalties for non-compliance

E Sales tax

1. The scope of sales tax
2. Sales tax registration requirements
3. The computation of sales tax liabilities
4. The collection, recovery, refund, drawback, and remission of, and exemption from, sales tax
5. Administration of sales tax and penalties for non-compliance

F Service tax

1. The scope of service tax
2. Service tax registration requirements
3. The computation of service tax liabilities
4. The collection, recovery, refund, and remission of, and exemption from, service tax

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5. Administration of service tax and penalties for non-compliance

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6. Detailed study guide

A The Malaysian tax system and its administration

1. Malaysian taxes

a) Explain the difference between direct and indirect taxation.[1]

b) Summarise the different types of capital and revenue tax.[1]

c) Recommend an appropriate ethical action or response to a given tax situation.[2]

2. Principal sources of revenue law and practice

a) Explain the overall structure of the Malaysian tax system.[1]

b) Summarise the different sources of revenue law.[1]

c) Compare and contrast tax avoidance and tax evasion.[2]

3. The system for self-assessment, the making of returns, submission of information, claims and the procedures relating to enquiries, appeals and disputes

a) Analyse the features of the self-assessment system as it applies to Individuals.[2]

b) Analyse the features of the self-assessment system as it applies to companies.[2]

c) Analyse the features of the self-assessment system as it applies to real property gains tax. [2]

d) Apply the time limits to the filing of returns and the making of claims.[2]

e) Summarise the information and records which taxpayers need to retain for tax purposes.[1]

f) Explain the circumstances in which the Director General of Inland Revenue can enquire into a self-assessment tax return.[1]

g) Explain the procedures for dealing with appeals and disputes.[1]

h) Explain the due dates for the payment of tax under the self-assessment system.[1]

i) Calculate payments on account and balancing payments/repayments under the Income Tax Act.[2]

j) Assess the responsibilities and obligations of employers under the Income Tax Act.[2]

k) Assess the obligations of taxable persons for the purposes of sales and services tax (SST).[2]

4. Withholding of tax at source

a) Assess the obligations of persons to withhold tax on making certain types of payments to non-residents.[2]

b) Assess and apply the consequences of non-compliance or late compliance of withholding tax.[2]

B Income tax liabilities (individuals)

1. The scope of income tax

a) Explain how the residence of an individual is determined.[1]

b) Assess the income of non-residents which is subject to withholding tax.[2]

c) Assess the foreign income which is subject to tax.[2]

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2. Income from employment

a) Assess the factors which determine whether an engagement is treated as employment and self-employment.[2]

b) Analyse the basis of assessment for employment income.[2]

c) Assess and apply the basis period to which gross income from an employer is related.[2]

d) Assess the income derived/deemed derived from Malaysia.[2]

e) Calculate the statutory income.[2]

f) Analyse allowable deductions, including travelling expenses.[2]

g) Explain the Monthly Tax Deduction (MTD) system.[1]

h) Calculate the amount of benefits assessable.[2]

i) Assess and apply the prescribed value method of calculating car benefits.[2]

j) Assess benefits assessable under s.13(1)(a) and c.13(1)(b) respectively.[2]

k) Assess and apply the tax treatment of living accommodation provided by an employer.[2]

l) Analyse and calculate lump sums received by employees, including retirement lump sums, golden goodbyes, service excellence awards and long service awards.[2]

3. Income from self-employment

a) Contrast the basis of assessment for self-employment income.[2]

b) Apply the badges of trade.[2]

c) Analyse the expenditure which is allowable in calculating the adjusted income.[2]

d) Assess and apply the treatment of domestic or private expenses and the private use of a car.[2]

e) Analyse the expenditure which is specifically not allowable in calculating the adjusted income.[2]

f) Calculate the statutory income from a business source.[2]

g) Capital allowances:

(i) Explain what constitutes plant and machinery for capital allowance purposes.[1]
(ii) Calculate annual allowances and initial allowances.[2]
(iii) Calculate capital allowances for motor cars.[2]
(iv) Calculate balancing allowances and balancing charges.[2]
(v) Assess and apply the treatment of small value assets.[2]
(vi) Explain an industrial building for industrial buildings allowance purposes.[1]
(vii) Calculate industrial buildings allowance.[2]
(viii) Calculate the balancing allowance or balancing charge on the disposal of an industrial building.[2]
(ix) Calculate the agriculture allowance and charge.[2]

h) Relief for business losses:

(i) Analyse how relief for current year adjusted losses can be claimed against aggregate income.[2]
(ii) Analyse how unabsorbed adjusted losses can be carried forward.[2]
(iii) Analyse how unabsorbed adjusted losses brought forward can be claimed against the total amount of statutory income of all businesses.[2]

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i) Partnerships:

(i) Analyse and calculate how a partnership is assessed to tax.[2]
(ii) Calculate the statutory income from a partnership for each partner.[2]
(iii) Calculate the statutory income for each partner following a change in the profit-sharing ratio.[2]
(iv) Calculate the statutory income for each partner following a change in the membership of the partnership.[2]
(v) Explain the relief available to a partner in respect of an adjusted loss.[1]

4. Income from investments and other sources

a) Calculate the income from each of the following sources:[2]

(i) dividends, interest or discounts.
(ii) rents, royalties or premiums.
(iii) pensions, annuities or other periodical payments not falling under sections 4(a) to (d) and (f) of the Income Tax Act.
(iv) gains or profits not falling under sections 4(a) to (e) of the Income Tax Act.

5. The comprehensive computation of chargeable income and income tax liability

a) Prepare a basic income tax computation involving different types of income.[2]

b) Calculate the amount of personal reliefs and other deductions for an individual, and for a married couple, under joint/separate assessment.[2]

c) Calculate the amount of income tax payable under joint/separate assessment.[2]

d) Assess the taxability of maintenance and alimony received and reliefs for such payments.[2]

e) Calculate tax rebates.[2]

f) Analyse the deductions allowable against aggregate income.[2]

6. The use of exemptions and reliefs in deferring and minimising income tax liabilities

a) Assess and calculate the relief given for insurance premiums.[2]

b) Explain the relief given for contributions to approved provident funds.[2]

c) Assess and apply how a married couple can minimise their tax liabilities.[2]

d) Assess the tax implications of a married couple under joint/separate assessment.[2]

7. The time limits, including payments on account and penalties for non-compliance

a) Assess and apply penalties on overdue income tax.[2]

b) Assess and apply the penalties which can be charged on underestimates of income tax.[2]

C Income tax liabilities (companies)

1. The scope of company tax

a) Explain the terms ‘basis year, ‘basis period’ and ‘accounting period’.[1]

b) Basis period:

(i) Assess the factors which will influence the choice of accounting date.[2]
(iii) Calculate the basis period on the commencement of operations.[2]

c) Assess how the residence of a company is determined.[2]

d) Assess and apply the badges of trade.[2]

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2. Income chargeable to income tax

a) Analyse the expenditure which is allowable in calculating the adjusted income.[2]

b) Explain how relief can be obtained for pre-commencement expenditure.[1]

c) Calculate capital allowances (as for income tax liabilities of individuals).[2]

d) Calculate income from business and non-business sources.[2]

e) Assess the expenditure which is allowed for double deduction in calculating the adjusted income.[2]

f) Assess and apply the treatment of approved donations and other deductions which can be set off against the aggregate income.[2]

g) Analyse how adjusted losses can be carried forward.[2]

h) Analyse how current year adjusted losses can be claimed against the aggregate income of the current basis period.[2]

i) Assess the expenditure which is specifically allowed/disallowed under the provisions of the Income Tax Act and gazette orders as guided by the Inland Revenue Board's Public Rulings, practice notes and guidelines.[2]

j) Analyse the obligations of companies to withhold tax on making certain types of payment to non-residents and assess the consequences of non-compliance or late compliance.[2]

k) Calculate income chargeable to income tax.[2]

3. The comprehensive computation of income tax liability

a) Calculate the income tax liability.[2]

b) Assess how exemptions and reliefs can defer or minimise income tax liabilities.[2]

c) Assess and apply the treatment of unabsorbed losses and unabsorbed capital allowances brought forward from the previous year of assessment.[2]

d) Calculate the amount of unabsorbed losses and unabsorbed capital allowances from the previous year of assessment which can be set off against the income of the current year of assessment.[2]

4. The time limits, including payments on account and penalties for non-compliance

a) Assess how and when companies are required to make a tax estimate/revised estimate.[2]

D Real property gains tax

1. The scope of real property gains tax

a) Explain the scope of real property gains tax.[1]

b) Explain the terms 'real property', 'land', 'acquire' and 'disposal.[1]

c) Analyse the cases where the acquirer may be assessed.[2]

2. The basic principles of computing chargeable gains and allowable losses

a) Calculate real property gains.[2]

b) Calculate the allowable losses.[2]

c) Analyse how acquisition price and disposal price are calculated. [2]

d) Analyse and apply the incidental costs.[2]

e) Assess the expenditure which is excluded in computing acquisition price and disposal price.[2]

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f) Analyse the meaning of 'permitted' expenses.[2]

g) Assess and apply the tax implications of transfers between husband and wife.[2]

3. Gains and losses on the disposal of real property

a) Assess what constitutes acquisition and disposal.[2]

b) Assess the date of acquisition and date of disposal.[2]

c) Assess the determination of 'acquisition price and 'disposal price'.[2]

4. The computation of the real property gains tax payable

a) Calculate the Schedule 4 exemption on a chargeable gain accruing to individuals.[2]

b) Calculate the gain and explain the application of the exemption on the disposal of private residences.[2]

c) Calculate the amount of real property gains tax payable.[2]

5. The use of exemptions and reliefs in deferring and minimising tax liabilities arising on the disposal of real property

a) Explain the tax advantages of the disposal of private residences.[1]

b) Assess the appropriate timing for the disposal of real property and use of reliefs.[2]

6. The time limits, including payments on account and penalties for non-compliance

a) Assess how and when companies are required to make tax payments and when penalties apply.[2]

E Sales tax

1. The scope of sales tax

a) Explain the scope of sales tax.[1]

b) Explain the taxable period.[1]

c) Apply the charge on taxable goods and taxable persons.[2]

d) Assess the places deemed to be outside Malaysia.[2]

e) Assess the circumstance in which sales tax is not applicable.[2]

f) Assess and apply the principles of sales tax as it applies to the import and export and goods.[2]

2. Sales tax registration requirements

a) Assess the circumstance in which a person is liable to register for sales tax, including sub-contractors.[2]

b) Explain the types of registration for sales tax, including mandatory and voluntary registrations.[1]

c) Explain the scope and definition of manufacturing for the purposes of sales tax.[1]

d) Assess the circumstances in which the liability to be registered ceases or a registration can be cancelled.[2]

3. The computation of sales tax liabilities

a) Assess transactions which are regarded as a 'sale' for sales tax.[2]

b) Assess and apply the principles of sales value, including the rules of valuation.[2]

c) Calculate the amount of sales tax.[2]

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4. The collection, recovery, refund, drawback, and remission of, and exemption from, sales tax

a) Explain the circumstances for the reduction of sales tax by the issue of debit and credit notes.[1]

b) Summarise the particulars which must be contained in the debit and credit notes.[1]

c) Assess the circumstances for drawback.[2]

d) Assess the circumstances for refund and remission.[2]

e) Calculate the amount of refund of sales tax paid for bad debts written off and the repayment of the refund to the Customs Department when the bad debts are subsequently recovered.[2]

f) Assess the circumstances in which specific exemption for persons and exemption from the requirement to register applies.[2]

g) Assess the facilities available to minimise sales tax for goods or classes of goods to persons, including (i) manufacturers of specific exempted goods or (ii) registered manufacturers acquiring materials free of sales tax in manufacturing taxable goods, as provided in Schedule A, B and C.[2]

h) Assess the circumstances in which the Director General may determine sales tax in his best judgment.[2]

5. Administration of sales tax and penalties for non-compliance

a) Analyse how sales tax is accounted for and administered.[2]

b) Assess the circumstances in which late registration penalties apply for sales tax purposes.[2]

c) Assess the circumstances in which late payment penalties apply for sales tax purposes.[2]

d) Analyse and calculate the fines for an incorrect sales tax return, tax evasion and fraud.[2]

F Service tax

1. The scope of service tax

a) Explain the scope of service tax.[1]

b) Explain the terms 'goods' and 'taxable period'.[1]

c) Summarise the taxable persons and taxable goods and services.[1]

d) Assess the places deemed to be outside Malaysia.[2]

e) Assess the circumstances in which service tax is not applicable.[2]

f) Apply the reverse charge mechanism on imported services.[2]

g) Assess and apply the basic principles of export of services.[2]

2. Service tax registration requirements

a) Assess the circumstances in which a person must register for service tax.[2]

b) Calculate the total annual sales turnover of a person to determine the threshold limit.[2]

c) Assess the circumstances in which the liability to be registered ceases or a registration can be cancelled.[2]

3. The computation of service tax liabilities

a) Assess the charge and value of a taxable service, including the taxable service for the sale of goods.[2]

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b) Assess how service tax is levied.[2]

c) Calculate the amount of service tax.[2]

d) Assess disbursements and reimbursements.[2]

4. The collection, recovery, refund, and remission of, and exemption from, service tax

a) Assess the circumstances for the reduction of service tax by the issue of debit and credit notes.[2]

b) Assess the circumstances for refund and remission.[2]

c) Calculate the amount of refund of service tax paid for bad debts written off and the repayment of the refund to the Customs Department when the bad debts are subsequently recovered.[2]

d) Assess the procedure for the refund and remission of service tax.[2]

e) Assess the circumstances in which the Director General may determine service tax in his best judgment.[2]

5. Administration of service tax and penalties for non-compliance

a) Analyse how service tax is accounted for and administered.[2]

b) Assess the circumstances in which late registration penalties apply for service tax purposes.[2]

c) Assess the circumstances in which late payment penalties apply for service tax purposes.[2]

d) Analyse and calculate the fines for an incorrect service tax return, tax evasion and fraud.[2]

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7. Reading list

The Income Tax Act 1967, Latest edition

The Real Property Gains Tax Act 1976, Latest edition

Sales Tax Act 2018 and Service Tax Act 2018, Latest edition

Malaysian Taxation - Principles & Practice, Choong Kwai Fatt, Latest edition, Infoworld

Malaysian Taxation, Alan Yeo Miow Cheng, Latest Edition, YSB Management Sdn Bhd

Thornton's Malaysian Tax commentaries, Richard Thornton, Latest edition, Sweet & Maxwell

Asia Malaysian Master Tax Guide, Latest edition CCH

Relevant articles in Tax Guardian

Chartered Tax Institute of Malaysia

8. Approach to examining the syllabus

The syllabus for E1 Taxation (E1 MYS) is assessed by a three-hour computer-based examination.

The examination will consist of two sections:

Section A will contain 15 two-mark objective test questions (OTs).

Section B will contain six constructed response questions (CRs). Four of the CR questions will be worth 10 marks each and two of the CR questions will be worth 15 marks each. The two 15-mark questions will focus on income tax liabilities of individuals (syllabus area B) and income tax liabilities of companies (syllabus area C).

All other questions can cover any areas of the syllabus.

Tax rates, allowances and information on certain reliefs will be given in the examination.

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9. Guide to ACCA examination structure and delivery mode

The structure of examinations varies, depending on the level of the qualification.

The Expertise examinations contain 100% compulsory questions to encourage candidates to study across the breadth of each syllabus.

All Expertise examinations are assessed by three-hour computer-based examinations.

The pass mark for all Expertise examinations is 50%.

10. Guide to ACCA examination assessment

ACCA reserves the right to examine anything contained within the study guide at any examination session. This includes knowledge, techniques, principles, theories, and concepts as specified.

For specified financial accounting, audit and tax examinations, except if indicated otherwise, ACCA will publish examinable documents once a year to indicate exactly what regulations and legislation could potentially be assessed within identified examination sessions. For most examinations (not tax), regulation issued, or legislation passed on or before 31 August annually, will be assessed from 1 September of the following year to 31 August of the year after. Please refer to the examinable documents for the examination (where relevant) for further information.

Regulations issued or legislation passed in accordance with the above dates may be examinable if the effective date is in the future, unless explicitly stated otherwise in the syllabus and study guide or examinable documents. The terms ‘issued’ or ‘passed’ relate to when regulation or legislation has been formally approved.

The term ‘effective’ relates to when regulation or legislation must be applied to entity transactions and business practices.

The study guide offers more detailed guidance on the depth and level at which the examinable documents will be examined. The study guide should therefore be read in conjunction with the examinable documents list, where applicable.

For E1 MYS, examinations falling within the period December to September will be based on legislation passed by the previous 31 March, i.e. the examinations in the period December 2026 to September 2027 will be based on legislation passed by 31 March 2026.

For the avoidance of doubt, the examination in September 2027 will be based on Finance Act 2025 874, gazetted on 31 December 2025, and the Measures for the Collection, Administration and Enforcement of Tax Act 2025, Act 875, gazetted on 31 December 2025 plus relevant supplementary legislation (PU Orders) gazetted by 31 March 2026 will be examinable.

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11. Learning hours and education recognition

The ACCA Qualification does not prescribe or recommend any particular number of learning hours for examinations because study and learning patterns and styles vary greatly between people and organisations. This also recognises the wide diversity of personal, professional and educational circumstances in which ACCA candidates find themselves.

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognised and valued by governments and regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognised on the educational frameworks in several countries. Please refer to your national education framework regulator for further information about recognition.

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