

New section 6D

6. The principal Act is amended by inserting after the deleted section 6C the following section:

“Tax rebate for company or limited liability partnership

6D. (1) A rebate may be granted for a period of three consecutive years from the year of assessment in which a company or limited liability partnership first commences operation, in an amount equivalent to its operating or capital expenditure which it has incurred limited to a maximum amount of twenty thousand ringgit for each year of assessment.

(2) Where the total amount of the rebate under subsection (1) exceeds the income tax charged (before any such rebate) for any year of assessment, the excess shall not be paid to the company or limited liability partnership, or be available as credit to set off the tax liability of the company or limited liability partnership for that year of assessment or any subsequent year.

(3) The company or limited liability partnership referred to in subsection (1) shall be a company or limited liability partnership resident and incorporated or registered in Malaysia—

(a) which has a paid-up capital in respect of ordinary shares or contribution of capital (whether in cash or in kind) of two million and five hundred thousand ringgit and less at the beginning of the basis period for a year of assessment;

(b) which has a gross income from source or sources consisting of a business not exceeding fifty million ringgit for the basis period for that year of assessment; and

(c) which has commenced operation on or after 1 July 2020 but not later than 31 December 2021.

(4) The Minister may, by statutory order, impose such conditions as he thinks fit to give effect to or for carrying out the purposes of this section.