

# Employers want TP1 form submission time regulated

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PETALING JAYA: Employers are all for having the monthly tax deduction (MTD) as the final tax but want the submission time of the TP1 form to be regulated.

The TP1 is an income tax form which staff would submit to employers to ensure the MTD takes into account the necessary rebates and deductions for book purchases, insurance and medical expenses, among others.

Currently, eligible employees could submit the form every month if they have an expenditure that requires rebates to be made for tax relief.

Malaysian Employers Federation executive director Shamsuddin Bardan said they fully supported having MTD as the final tax but wanted the forms to be submitted only twice a year, either in June or July and November.

“This will enable employers to have ample time to adjust the remittance to the income tax.”

He called on authorities to regulate the times employees were allowed to submit the forms, adding they were in talks with the IRB.

On whether TP1 forms were submitted often previously, Samsuddin said “no” as most employees would file their income tax returns in April of every year.

He said the accumulative schedular tax deductions each year were generally very close to the actual income tax payable.

Shamsuddin said employers could reject the forms if they found something amiss, adding that the MEF was working closely with the IRB to disseminate information about opting to have MTD as the final tax.

When contacted, an IRB official said the suggestion to regulate the TP1 submission times was still being studied.