

MALAYSIAN TAXATION. By CHIN YOONG KHEONG [Malaysia, Singapore & Hong Kong: Butterworths, 1988. xvi + 694pp. Softcover.]

THE author of this book — which encompasses every aspect of revenue law in Malaysia — is a chartered accountant and a certified public accountant, who was trained in the UK. During the course of his career in Malaysia, he has acted as a consultant to organisations of all sizes, from multi-national conglomerates to small private companies. His expertise in, and knowledge of, his subject can hardly be doubted.

The book has been adapted from the very successful *Singapore Taxation*, by Pok Soy Yoong and Damian Hong, which, as its title suggests, covers the equivalent fiscal provisions in Singapore. The format of this new work follows very closely that used by Messrs. Pok and Hong, even to the extent of adopting many identical chapter headings and the same type-face and layout. In places, several pages are actually reproduced word for word from the Singapore book, and, even where the two texts vary on specific points of law, similarities of style and approach abound. The author, who explains in his preface that the adaptation was undertaken because of the need to complete the book as quickly as possible, is quite open about the extent to which this work is modelled on its Singapore equivalent. There are even respects in which it improves on its sister work — as, for example, in its rather fuller use of references to specific sections and sub-sections of the relevant legislation.

The author also explains in the preface that the book is designed for both busy tax practitioners and educated laymen. The work should certainly appeal to both categories of reader, being technical enough to satisfy the former, and clear and succinct enough not to confuse the latter.

The chapter order of the book has been arranged so that it follows the contents sequence of the Malaysian tax legislation. The early chapters offer a general introduction to the nature and sources of revenue law and the interpretation of statutes, (Chapter 1), an analysis of the basic income tax structure (Chapter 2), an explanation of the section of the Income Tax Act, Cap. 134,1985 (Rev. Ed.) under which tax falls to be charged (Chapter 3), and a description of what income is chargeable to tax (Chapter 4). Subsequent chapters deal with exemptions and deductions (Chapters 5 and 6) and capital allowances and losses (Chapters 7 and 8).

The subject matter of the chapters then becomes progressively more specific. It goes on from matters such as withholding tax, excess profit tax and development tax (Chapters 9 to 11), to examine the different forms of taxation applied to various legal entities — i.e. individuals, partnerships and companies — (Chapters 12 to 14) and then looks at the fiscal position of estates, trusts and settlements (Chapter 17), the taxation of specialized industries (Chapter 18), and the various incentives available to encourage investment (Chapter 19). The later chapters deal with avoidance of double taxation (Chapter 20), tax avoidance (Chapter 21) and tax administration (Chapter 22). After the chapter on miscellaneous provisions (which one might have expected to be the final chapter), come the last two chapters,

dealing with the complex areas of real property gains tax and share transfer tax (Chapters 24 and 25).

The book is very clearly written, and the style is as crisp and readable as is possible given the technicalities of revenue law. The constant use of examples (almost one per page) is extremely useful, and often obviates the need for tedious explanations. The specific aspects of each area examined are indicated at the beginning of every chapter and this, combined with a reasonably thorough index, makes the task of finding relevant information pleasingly straightforward.

Most of the basic principles of taxation are, of course, common to many jurisdictions, and have no exclusively Malaysian aspects or features. As a result, a significant proportion of the book is devoted to defining expressions or explaining concepts which are relevant in all the jurisdictions which share with Malaysia a common heritage of tax legislation introduced by their British colonisers. For this reason, a considerable number of the cases cited are English or Commonwealth, rather than Malaysian, decisions. This is not necessarily a negative feature — it means that the book is also of relevance, and interest, to tax lawyers outside Malaysia. However, it is in giving explanations or overviews of such global aspects of revenue law that substantial portions of the book have been taken verbatim from the work by Pok and Hong — such as, for example, the test used in determining corporate residence (pp. 423-432), and the use of the Ramsay doctrine in relation to tax avoidance (pp. 596-603) — so that the reader who is interested only in the more general aspects of taxation and who already has access to the Singapore work may well be disappointed if he expects this book to add to his general fund of knowledge. On the other hand, the reader requiring specific information on matters such as Malaysian investment incentives, involving unique or unusual provisions which one cannot examine by reference to English law, could not do better than to refer to this work.

The book is one to be recommended to anyone who requires a comprehensive, accessible and well-written analysis of Malaysian revenue law. As such, it would seem to be destined to share a similar degree of success to that enjoyed by its Singapore counterpart.