

MALAYSIAN TAXATION (FOURTH EDITION) BY CHIN YOONG KHEONG [Malaysia: Butterworths Asia, 1997, xxix + 803 pp (including index). Softcover: \$120.51 (inclusive of GST)]

IN a review of the first edition of this work (see [1988] JMCL 205), the same reviewer had stated as follows:

This book should eventually be on the bookshelf of every reader of this review. It should be bought and read by anyone with an interest in Malaysian taxation....A most welcome feature of the book is the referencing to statutes and case law contained within each chapter and the overall quality of the examples which run throughout the book.

These observations equally apply to the fourth edition of this work. As the author himself has rightly pointed out in the Preface to the fourth edition, the significant

changes which have taken place in the Malaysian tax system since the third edition of this work may aptly be called reforms. These changes take the form of, *inter alia*, exemption on foreign-sourced income received by a company resident in Malaysia (other than those carrying on the business of banking, insurance, shipping and air transport) which, in the words of the author, "certainly puts Malaysia to a nearly pure territorial scope of taxation and a tax regime which is conducive for international trade and investments." Also the Malaysian Government's unwavering effort to develop the capital market in Malaysia has resulted in a tax regime which encourages development of unit trusts, closed-end fund companies and foreign fund management companies. Furthermore, to supplement the first two reforms, the Malaysian Government has set up the Labuan Offshore Financial Services Authority to spur the growth of Labuan as an international offshore financial centre. Reform in the tax incentives area has seen a shift of emphasis from the manufacturing, agricultural and tourism sectors to the infrastructure and services sectors with increased incentives being given to high technology industry, training and research and development activities.

The fourth edition comprises 23 chapters. The topics covered ranged from the Malaysian income tax structure to real property gains tax. The chapters are arranged to follow the contents sequence of Malaysian tax legislation. Not only are guidelines issued by the Inland Revenue Board and amendments to the relevant tax legislation brought about by the Budget proposals incorporated, pending proposals are also noted in the fourth edition. The work is very well presented and easy to read chapter by chapter. The writing is straightforward and clear and the examples are clearly set out and sufficiently detailed to be both comprehensive and easily understood. The work is well indexed which makes it easy to use for reference purposes. In addition to the many new Malaysian tax cases incorporated in the fourth edition, important tax cases from the United Kingdom, Australia, South Africa and Singapore are also brought to the attention of the reader and discussed.

It should be noted that there is a looseleaf version of *Malaysian Taxation Practice* also by the same author which is in two volumes and comes complete with the relevant tax legislation, guidelines and notifications. The reviewer is given to understand that the looseleaf version is intended for practitioners while the bound fourth edition work, minus the collection of tax statutes and guidelines and, hence, priced lower than the looseleaf version, is made more affordable to students and other educated laymen. Notwithstanding this difference, the fourth edition remains impressive in the breadth of its coverage and is a valuable and timely addition to the growing literature on this area of the law.

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