

## **Furnishing of returns and payment of tax**

**41.** (1) Every taxable person shall, in respect of his taxable period, account for the tax in a return as may be prescribed and the return shall be furnished to the Director General in the prescribed manner not later than the last day of the month following after the end of his taxable period to which the return relates.

(2) Where a taxable period has been varied under subsection 40(5) and notwithstanding subsection (1), the return shall be furnished not later than the last day of the thirty days from the end of the varied taxable period.

(3) Any person who—

(a) ceases to be liable to be registered under section 20; or

(b) ceases to be registered under section 24,

shall, not later than thirty days after so ceasing or such later date as the Director General may allow, furnish a return containing particulars as the Director General may determine in respect of that part of the last taxable period during which the person was registered.

(4) Any taxable person who is required to furnish a return under this section shall pay to the Director General the amount of tax due and payable by him in respect of the taxable period to which the return relates not later than the last day on which he is required to furnish the return.

(5) The return referred to in subsections (1), (2) and (3) shall be furnished whether or not there is tax to be paid.

(6) Any person who fails to furnish the return as required under subsection (1), (2) or (3) commits an offence and shall, on conviction, be liable to a fine not exceeding fifty thousand ringgit or to imprisonment for a term not exceeding three years or to both.

(7) Any person who fails to pay to the Director General the amount of tax due and payable under subsection (4) commits an offence and shall, on conviction, be liable to a fine not exceeding fifty thousand ringgit or to imprisonment for a term not exceeding three years or to both.

(8) Where any tax due and payable is not paid wholly or partly by any taxable person after the last day on which it is due and payable under subsection (4) and no prosecution is instituted, the taxable person shall pay —

*(Insert s46 FA 2017 w.e.f. 1/1/2017)*

(a) for the first thirty days period that the tax is not paid wholly or partly after the expiry of the period specified under subsection (4), a penalty of five ten percent of the amount of tax ~~due and payable~~ remain unpaid;

*(Insert and substitute s46 FA 2017 w.e.f. 1/1/2017)*

(b) for the second thirty days period that the tax is not paid wholly or partly after the expiry of the period specified under subsection (4), an additional penalty of ~~ten~~ fifteen percent of the amount of tax ~~due and payable~~ remain unpaid; and

*(Insert and substitute s46 FA 2017 w.e.f. 1/1/2017)*

(c) for the third thirty days period that the tax is not paid wholly or partly after the expiry of the period specified under subsection (4), an additional penalty of ~~ten~~ fifteen percent of the amount of tax ~~due and payable~~ remain unpaid. subject to a maximum penalty of ~~twenty-five~~ percent of the amount of tax ~~due and payable~~.

*(Insert, substitute and delete s46 FA 2017 w.e.f. 1/1/2017)*

(9) Subject to subsection (11), prosecution for the offence under subsection (7) may be instituted after the expiry of the period specified in paragraph (8) (c).

(10) The court may order that any taxable person who is convicted for the offence under subsection (7) shall pay the penalty as specified in subsection (8).

(11) No prosecution for the offence under subsection (7) shall be instituted against the taxable person who has paid the amount of tax due and payable and the penalty specified under subsection (8) within the period specified in subsection (8).

*(Insert s49 FA 2016 w.e.f. 1/1/2016)*