

MANY from the younger generation are interested in starting businesses, especially after seeing successful owners share their luxurious lives on social media.

However, some people view such wealth as excessive, especially those who are less fortunate.

Why not share these successes with each other, through the taxes paid to the Inland Revenue Board of Malaysia (HASiL).

According to the 2022 Budget, income tax collection is the highest national financial source at 35.7 per cent compared with other sources, such as indirect taxes, other direct taxes, non-tax revenue as well as loans and consumption of government assets.

It is this financial resource that the government uses for development and managing the country.

SHARING THE SUSTENANCE

If business owners carry out their responsibility as taxpayers, more taxes can be collected and used for the benefit of Malaysians.

Taxpayers' contributions have helped ease the financial burden of others.

When the country was tested with the Covid-19 pandemic, revenue from income tax enabled the government to set up special facilities to treat patients.

Not only that, this tax collection also helped the less fortunate when many companies and small businesses have had to close down. The government's assistance included Bantuan Khas Covid-19 and

Income tax for the young generation

the Prihatin Special Grant.

SOCIAL MEDIA INFLUENCERS ARE ALSO TAXABLE

Income tax for individuals with businesses is not only imposed on permanent or part-time businesses, whether conventional or online, but professions such as doctors, lawyers and accountants who own clinics or firms are also taxed.

Social media influencers are also taxable as an individual with business income. An influencer on social media is not something new as many of the younger generation are involved in this field and can earn up to five figures a month.

Based on a study by the Malaysian Communications and Multimedia Commission (MCMC) in 2020, almost 90 per cent of Malaysians own a smartphone and have access to the Internet.

This has allowed many businesses to promote their products online, especially through collaborations with companies and social media influencers to advertise products.

Influencers who have many followers usually receive payments for these types of advertising. This income is taxable and they will need to register with HASiL as a taxpayer.

Individuals with business

incomes are automatically eligible to pay taxes regardless of the amount they earn.

Those who do not have an income tax number can register online through the e-Daftar application at <https://edaftar.hasil.gov.my/> and select the Online Registration Form. Income tax numbers can be obtained within three working days of the application.

They must declare the business income for 2021 in the B Form at <https://mytax.hasil.gov.my/> using e-Filing and pay the income tax through ByrHASiL from March 1 to June 30.

As an e-Filing user, additional time is given until July 15 to declare and pay income tax.

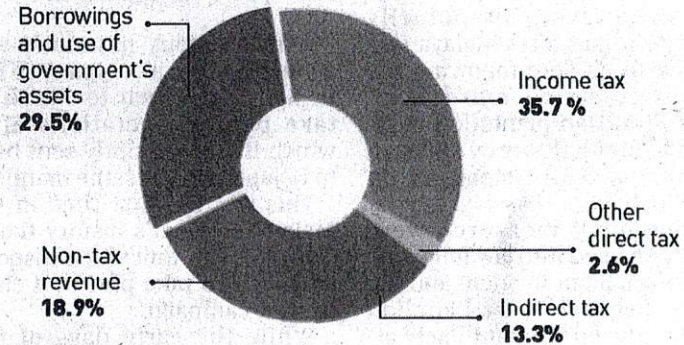
For new taxpayers who need advice and more information, HASiL provides group tax briefing sessions for companies, associations and other organisation.

These sessions are conducted either face to face on the premises or online. For information, email taxeducation@hasil.gov.my

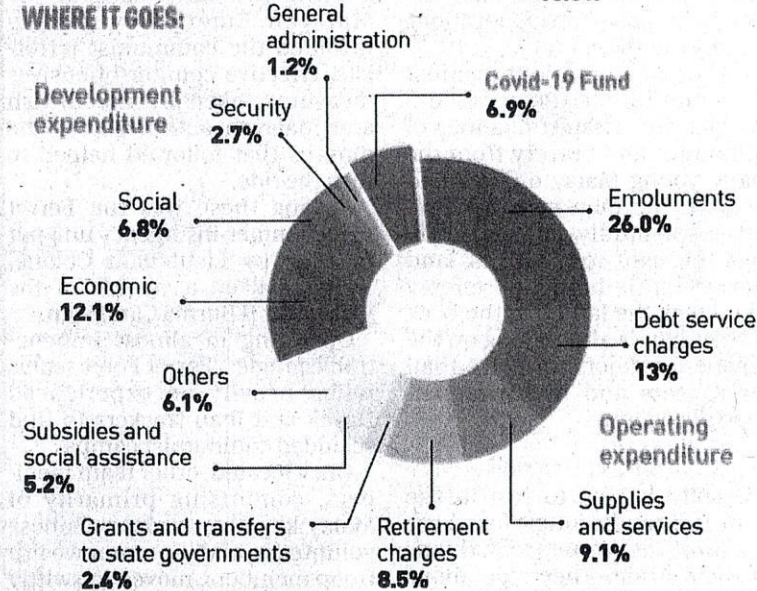
Log on to www.hasil.gov.my > Service > Individual > Introduction Individual Income Tax > When is Taxable for more information on other taxable incomes under the individual category.

2022 GOVERNMENT BUDGET

WHERE IT COMES FROM: RM332,110 MILLION



WHERE IT GOES:



1. Consists of revenue and borrowings
 2. Excludes contingency reserves
 3. Covid-19 Fund under the Temporary Measures for Government Financing (Covid-19 Act 2020)
- Source: Finance Ministry