PENINSULA COLLEGE GEORGETOWN DK266-03(P)

FINAL EXAMINATION

Semester	:	**JANUARY 2026 SEMESTER**
Programme Name	:	**DIPLOMA OF ACCOUNTANCY**
Course Code & Name	:	**DBTX4013 TAXATION I**
Duration	:	**3 HOURS**

INSTRUCTIONS TO CANDIDATES:

1. Please read the instructions given in the question paper **CAREFULLY.**
2. The question paper consists of **FOUR (4)** questions.
3. Answer **ALL** questions in the question paper.
4. Answers to the questions are to be written into the examination booklet.
5. Electronic dictionaries, lecture notes, files or any unauthorised materials except writing equipment are strictly prohibited.

This question paper must be submitted along with all used and/or unused rough papers and/ or graph papers (if any). Candidates are **NOT ALLOWED** to take any examination paper(s) used or unused out of the examination hall.

WARNING:

The Examination Board of Peninsula College Georgetown regards cheating as a very serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from Peninsula College Georgetown.

(*This booklet contains 5 printed pages including this page*)

DO NOT OPEN THIS BOOKLET UNTIL YOU ARE ALLOWED TO DO SO

Answer **ALL** questions on the separate sheet provided. **[100 marks]**

1. Qing Sheng rented out his new house to Yi Zhi and provided the information in respect of the year ended 31 December 2025 as follows:

	Note	RM	RM
Rental Received			40,000
Deposit	i		15,000
Total Rental Received			55,000
Less Expenses:			
Loan Interest		5,000	
Advertisement Fee		1,000	
Legal Fee	ii	1,000	
Quit Rent & Assessment		500	
Insurance	iii	1,100	
Management Fee		3,600	
Penalty for Late Payment		200	
Renovation		40,000	
Security Fee		3,600	
Agent Collection Fee		550	(56,550)
Losses			(1,550)

On 1 March 2025, Qing Sheng recorded a tape on country and sentimental songs as requested by KKK Sdn. Bhd. He received RM30,000.00 in royalties for the recording of the tapes. He also translated a literary work at the specific request of the Anthoney General's Chambers with the translation fee received of RM10,000.00.

Note:

i) Deposit comprises:

TNB Deposit	RM1,500.00
PBA Deposit	RM500.00
Non-refundable Rental Deposit	RM13,000.00

ii) Legal Fee refers to the preparation of the tenancy agreement.

iii) Insurance expenses purchased for fire and flood insurance.

You are required to:

a) Compute Qing Sheng's adjusted rental income from rent for the year of assessment 2025. All items stated in the question are to be included in the computation. Where an item is not taxable or not deductible, indicate "Nil" in the computation. (17 marks)

b) Compute Qing Sheng's Section 4(d) for the year of assessment 2025. (8 marks)

Total: [25 marks]

2. Business income is giving a benefit on claiming the capital allowance for the assets used in the business operation. On 1 April 2023, ABC Sdn Bhd purchased a new Electric Vehicle with hire purchase on the following terms:

Price of Electric Vehicle	RM360,000.00
Booking Deposit	50% of the vehicle
Interest	4%
Terms	36 months
First instalment paid	1 June 2023
Financial year-end	30 June every year
Disposal of asset	31 December 2025
Disposal price	10% of the vehicle

You are required to:

a) Calculate the deposit for the Electric Vehicle. (1 mark)

b) Calculate the total interest of the Electric Vehicle. (1 mark)

c) Calculate the monthly instalment of the Electric Vehicle. (1 mark)

d) Calculate the disposal value of the Electric Vehicle. (1 mark)

e) Calculate the capital allowance of the Electric Vehicle for the Year of Assessment 2023 to 2026. (21 marks)

Total: [25 marks]

3. Damia is single and works as an accounting manager at The Ship Sdn. Bhd. Below is the monthly summary payslip of Damia for the year 2025.

Monthly salary	RM5,000.00
Travelling allowance	RM500.00
(Less)	
EPF	RM605.00
SOCSO	RM27.25
EIS	RM10.90
PCB	RM110.00
Net salary	RM4,746.85

Damia received a 2025 bonus of a total of RM10,000.00 on 1 January 2026. She received single-tier dividend income for RM250,000 from Rose Sdn. Bhd. for the year 2025.

Damia also provided the following particulars in connection with the Year of Assessment 2025.

	(RM)
Donation to Public Library	25,000.00
Life insurance	3,200.00
Master study	6,000.00
Internet data plan	2,400.00
Medical insurance	4.800.00

Chargeable Income (RM)	Tax Rates (RM)	Tax Payable (RM)
1.00 to 5,000.00	0%	0.00
5,001.00 to 20,000.00	1%	150.00
20,001.00 to 35,000.00	3%	600.00
35,001.00 to 50,000.00	6%	1,500.00
50,001.00 to 70,000.00	11%	3,700.00

You are required to compute the chargeable and income tax payable of Damia for the Year of Assessment 2025. (25 marks)

Total: [25 marks]

4. Janani is the business owner for Janani Candy Enterprise. On 2 January 2025, she received CP500 under S107(B), commencing in February 2025 in respect of the individual tax for Year of Assessment 2025. Total instalments were RM12,000.00 with 6 instalments shown as below.

Month	RM
February	2,000.00
April	2,000.00
June	2,000.00
August	2,000.00
October	2,000.00
December	2,000.00

On 5 May 2025, Janani successfully applied for revision of instalments via submission of Form CP502. The revised instalments are revised to RM6,000.00 for Year of Assessment 2025 with the instalments shown as below.

Month	RM
June	500.00
August	500.00
October	500.00
December	500.00

You are required to answer the question based on the situation:

a) List down the types of Tax Return Form and Submission Due Date for Janani's category. (2 marks)

b) Janani submitted the return on 30 June 2026 for the income to be assessed in Year of Assessment 2025. The actual income tax payable for the Year of Assessment is RM13,500.00.

i) Compute the under-estimated penalty for Janani. (3 marks)

ii) List down any **ONE (1)** related offence and penalties faced by Janani. (2 marks)

c) Janani submitted the return on 25 July 2026 for the income to be assessed in Year of Assessment 2025. The actual income tax payable for the Year of Assessment is RM7,000.00.

i) Compute the under-estimated penalty for Janani. (3 marks)

ii) Computed the late payment penalty for Janani. (1 mark)

iii) List down any **ONE (1)** related offence and penalties faced by Janani. (2 marks)

d) Janani failed to keep the documents for audit investigation purposes and was refused to answer the queries from the IRB officer.

i) List down any **THREE (3)** related offences and penalties faced by Janani. (9 marks)

ii) The documents need to be kept for how many years according to Section 82 of the Income Tax Act 1967? (1 mark)

iii) List down any **TWO (2)** examples of documents to be kept by the taxpayer. (2 marks)

Total: [25 marks]

- END OF QUESTIONS -