

APPENDIX B

PRESCRIBED VALUE OF BENEFITS IN KIND COMMONLY PROVIDED BY EMPLOYERS TO EMPLOYEES

1. THE PRESCRIBED VALUE OF MOTORCAR AND ITS RELATED BENEFITS

Cost Of Motorcar (New) RM	Annual Prescribed Benefit Of Motorcar RM	Annual Prescribed Benefit Of Petrol RM
Up to 50,000	1,200	600
50,001-75,000	2,400	900
75,001-100,000	3,600	1,200
100,001-150,000	5,000	1,500
150,001-200,000	7,000	1,800
200,001-250,000	9,000	2,100
250,001-350,000	15,000	2,400
350,001-500,000	21,250	2,700
500,001 and above	25,000	3,000

2. PRESCRIBED VALUE OF HOUSEHOLD FURNISHINGS, APPARATUS AND APPLIANCES

CATEGORY	TYPE OF BENEFIT	ANNUAL PRESCRIBED VALUE OF BIK PROVIDED (RM)
1	Semi-furnished with furniture in the lounge, dining room or bedroom.	840
2	Semi-furnished with furniture as in Column 1 and one or two of the following: <ul style="list-style-type: none">▪ air-conditioners▪ curtains and alike▪ carpets	1,680
3	Fully furnished with benefits as in Columns 1 and 2 as above plus one or more of kitchen equipment, crockery, utensils and appliances	3,360
4	Service charges and other bills such as water and electricity.	Service charges and bills paid by the employer.

APPENDIX B (Continuation)

3. PRESCRIBED VALUE OF OTHER BENEFITS

ITEM	TYPE OF BENEFIT		VALUE OF BIK PER YEAR
1	Telephone (including mobile phone)	a) Before the year of assessment 2008	<p>a) Hardware : RM300 per telephone</p> <p>b) Bills -</p> <p>(i) Telephone is subscribed and paid by the employer :</p> <ul style="list-style-type: none"> ✓ The benefit is taxed under paragraph 13(1)(b) of the ITA 1967. ✓ The prescribed value is RM300 per telephone. ✓ Where the formula method is used, the value of the benefit is the amount of the actual cost of the private bills paid by the employer. <p>(ii) Telephone is subscribed by the employee and paid by the employer</p> <ul style="list-style-type: none"> ✓ The benefit is taxed under paragraph 13(1)(a) of the ITA 1967 ✓ The benefit to be taxed is the amount of the actual bills paid by the employer.
		b) From the year of assessment 2008	<p>(i) Hardware - fully exempt</p> <p>(ii) Bills - fully exempt</p>

2	Gardener		RM3,600 per gardener
3	Household servant		RM4,800 per servant
4	Recreational club membership	a) Individual membership – Membership subscription paid or reimbursed by employer	<p>Tax treatment on the benefit received on the employee as follows-</p> <p>(i) Entrance fee for club membership - taxed under paragraph 13(1)(a) of the ITA 1967</p> <p>(ii) Monthly/annual membership subscription fees for club membership - taxed under paragraph 13(1)(a) of the ITA 1967</p> <p>(iii) Term membership - taxed on the amount of payment made under paragraph 13(1)(a) of the ITA 1967</p>
		b) Corporate membership – Membership subscription paid by employer	<p>Tax treatment on the benefit received on the employee as follows-</p> <p>(i) Entrance fee - not taxable</p> <p>(ii) Monthly/annual membership subscription fees for club membership - taxed on the prescribed value under paragraph 13(1)(b) of the ITA 1967</p>