

Corporate Compliance Requirements after Incorporation

No	Descriptions	Timeline	References
1.0	Obligations under Companies Act, 1965		
1.1	<u>Publication of Name & Registration No</u> all business letters, statements of account, invoices, official notices, publications, bills of exchange, promissory notes, endorsements, cheques, orders, receipts and letters of credit of or purporting to be issued or signed by or on behalf of, the company, should have the Company name (whether or not it is carrying on business under a business name) & company registration number	Immediately	S.121(3) of Companies Act
1.2	Appointment of Auditors	Any time before the First AGM	S.172(1) of Companies Act
1.3	<u>Proper Accounting Records</u> Keeping proper accounting and other records which sufficiently explain the transactions and financial position of the company and enable true and fair profit and loss accounts and balance sheets. All appropriate entries are to be made in such accounting and other records within 60 days of completion of the transactions to which they relate The accounting and other records are to be retained for 7 years..	Within 60 days of completion of transactions	S.167 of Companies Act
1.4	Annual General Meeting (“AGM”)	The 1st AGM must be held within 18 months of incorporation and thereafter the AGM must be held once in every calendar year and not more than 15 months after the last AGM	S.143(1) of Companies Act
1.5	Lodging of Annual Return , made up to a date not later than 14 days after AGM	Within 1 month of the AGM	S.165 of Companies Act

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1.6	Documents to be lodged together with the Annual Return: <ul style="list-style-type: none"> – Audited profit and loss account for the last financial period (or in the case of the first accounts, since the date of incorporation) made not later than 6 months before the AGM – Directors' report – Auditors' report 	Within 1 month of the AGM	S.165 & S.174 of Companies Act
2.0	Directors' duties and prohibition under the Companies Act, 1965		
2.1	Disclosure of interest in contracts, property, offices, etc Any director (including person connected with that director) who is directly or indirectly interested in a contract or proposed contract with the company shall as soon as possible as practicable, declare the nature of his interest to the Board of Directors. The interested director must refrain from voting at the contract or proposed contract. <i>Note : Person connected with director including spouse, child, adopted child or stepchild, parent, brother, sister and the spouse of his child, brother or sister and body corporate which is associated with that director</i>	Immediate	S.131 of Companies Act S.131 (7A), S.122 A & S.6A
2.2	Loans to director & prohibition of loans to persons connected with directors A company (other than an exempt private company) shall not make a loan to a director of the company or a related company or person connected with a director. <i>Note : An exempt private company ("EPC") means a private company in shares of which no beneficial interest is held directly or indirectly by any corporation and which has not more than twenty members none of whom is a corporation.</i>	Immediate	S.133 & S.133A of Companies Act
2.3	General duty to make disclosure A director shall give notice in writing to the company in respect of date of which the director became a director of a public company or of a subsidiary of a public company and particulars of any change relating to shares, debentures, participatory interest, rights, options and contracts.	Within 14 days	S.135 of Companies Act

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2.4	Any changes Any changes in the nationality, residential address, business occupation, particulars of other directorship, IC/Passport number of directors including date of resignation, removal, retirement, not re-elected and death. In case of death, to provide death certificate.	Within one month	S.141 of Companies Act
3.0	Responsibilities As Employers		
3.1	Register with the Employees Provident Fund (“EPF”) Board	Within 7 days of employment of first employee	www.kwsp.gov.my
3.2	Register with the Social Security Organisation (SOCSO)	Within 30 days of the date on which the Employees’ Social Security Act (“ESSA”) becomes applicable to the company	www.perkeso.gov.my
3.3	Register Employer Tax File (E number) with Inland Revenue Board (IRB)	Anytime before payment of salaries to employees	www.hasil.gov.my
3.4	Register with the Human Resources Development Corporation (Only applicable to companies listed under Part 1, Schedule 1 of PSMBA)	Within 30 days of incorporation	www.hrdf.com.my
4.0	Obligations under Income Tax Act		
4.1	Notification to Inland Revenue Board (“ IRB ”) to obtain Company Tax Registration Number (C number)	Anytime before filing of first tax return	www.hasil.gov.my
4.2	<u>Estimate of Tax Payable</u> Every Small and Medium Enterprise (SME) must furnish an estimate of its tax payable <i>With effect from Y/A 2014, where the SME which commences operations has no basis period for that year of assessment and for the immediate following year of assessment, the SME is not required to furnish an estimate of tax payable for that year and for the immediate 2 following years of assessment.</i>	First 2 years of assessment (YA) from the date of commencement of operations exempted. Nevertheless, it is advisable to submit the Form CP204 notifying the IRB of its SME status without having to state the amount of ETP to avoid any penalty for under-estimation of tax or penalty for non-submission being wrongly imposed by the IRB. Third year of assessment onwards: 30 days before the beginning of the basis period	

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4.3	For companies (except SME) which first commence operations <i>Generally, SME refer to resident companies that has a paid-up capital in respect of ordinary shares of RM2.5mil and less</i>	Within 3 months from date of commencement of operations only if the basis period for that year is not less than 6 months	
5.0	Obligations under Goods and Services Tax (GST) Act		
5.1	Registering for GST Compulsory if annual sales turnover exceeding RM500,000 which can be determined based on either <ul style="list-style-type: none"> The total value of taxable supplies of the current month and the previous 11 months, or The total value of taxable supplies of the current month and the next 11 months Voluntary Registration is allowable but must remain in the system for at least 2 years. Who must register? An individual, sole proprietor, partnership, company, trust, estate, society, union, club, association or any other organization including a government department or a local authority which is involved in the business of making taxable supplies in Malaysia.	Within 28 days from the end of the month where the taxable turnover exceed or expect to exceed RM500,000	
5.2	Main Responsibilities of A GST Registered Person A registered person must comply with the requirements under GST legislation as follows: <ol style="list-style-type: none"> account for GST on taxable supplies made and received, i.e. output tax and input tax respectively; submit GST return (GST-03) and pay tax not later than the last day of the following month after the taxable period; issue tax invoice on any supply unless as allowed by Customs; inform Customs of the cessation of business within thirty days from the date of business cessation; inform Customs on any changes of address, taxable activity, accounting basis and taxable period; and keep adequate records of all business transactions relating to GST in the National or English language for seven years. 		

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