

Circular No: AG 11/2017

25 August 2017

To: ALL MEMBERS

Monthly Tax Deduction (MTD) for Employees with Foreign Nationalities

Please be informed that employers have been authorized by the Inland Revenue Board (IRB) of Malaysia to perform Monthly Tax Deductions (MTD) for employees with foreign nationalities based on current published rates of local workers / workers with permanent resident status. However employers are only authorised to perform such MTD for employees with foreign nationalities whose employment contract exceed 182 days beginning from its effective date.

MEF members are advised to strictly ensure that the conditions for MTD for employees with foreign nationalities are fulfilled at all times as any violation of the conditions may cause the IRB to revoke this authorisation.

Thank you.



Datuk Hj Shamsuddin Bardan
Executive Director