

## Corporate/M&A

### Publication of Guideline relating to E-Invoice by the Inland Board of Revenue Malaysia

On 21 July 2023, the Inland Board of Revenue Malaysia (“IRBM”) issued a [Guideline](#) addressing the basic concepts and implementation of the e-Invoice in Malaysia (“Guideline”), following a collaboration between the Malaysian Digital Economy Corporation (“MDEC”) and IRBM on the National e-Invoicing initiative.

The Guideline, amongst others, presents simplified e-Invoice concepts in an easy-to-understand manner (in particular, explaining what an e-Invoice is and is not), provides step-by-step guidance on the implementation and compliance of e-Invoicing as well as assists taxpayers to assess their readiness with the new invoicing process.

This regime is aimed at improving business efficacy and increasing tax compliance, as well as streamlining the invoicing processes resulting in enhanced efficiency and the saving of time. While the e-Invoice applies to all taxpayers undertaking commercial activities in Malaysia, the Guideline has also indicated its applicability to both local and international transactions (which will be addressed in a separate guideline).

The Guideline has also set out a mandatory e-Invoice implementation timeline:

- 1 June 2024: Taxpayers with an annual turnover or revenue of more than RM 100 million (ca. EUR 20 000 000).
- 1 January 2025: Taxpayers with an annual turnover or revenue of more than RM 50 million (ca. EUR 10 000 000) and up to RM 100 million (ca. EUR 20 000 000).
- 1 January 2026: Taxpayers with an annual turnover or revenue of more than RM 25 million (ca. EUR 5 000 000) and up to RM 50 million (ca. EUR 10 000 000).
- 1 January 2027: All taxpayers and certain non-business transactions.

# Legal Updates

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The Guideline also introduces the two distinct e-Invoice transmission mechanisms to facilitate taxpayers' transition to e-Invoice, being the MyInvois Portal hosted by the IRBM or the Application Programming Interface. Step-by-step guidance (from pre-submission of the e-Invoice to reporting and dashboard services) is provided on the two models.

IRBM is actively conducting a series of engagement sessions with tax practitioners and other identified stakeholders to provide comprehensive information regarding the implementation of e-Invoice in Malaysia. If there are any concerns or questions about the Guideline, please contact [myinvois@hasil.gov.my](mailto:myinvois@hasil.gov.my).

## Management of Insurance Funds and Management of Participating Life Business

Bank Negara Malaysia (“BNM”) has issued two new policy documents in respect of the Management of Insurance Funds (“Insurance Funds Policy”) on 7 July 2023 and the Management of Participating Life Business (“Life Business Policy”) on 10 July 2023.

The Insurance Funds Policy sets out various requirements to be complied with by all insurers licensed under the **Financial Services Act 2013** (“FSA 2013”). The Life Business Policy is applicable to all insurers licensed under the FSA 2013 which carry on participating life business except for paragraphs 14.1 to 14.35 of the policy document being applicable only to licensed insurers with estate in the participating life fund.

Both policy documents come into effect on 1 July 2024 and will supersede the previous policy documents on the Management of Insurance Funds and the Management of Participating Life Business issued by BNM on 17 December 2018 and 15 July 2015, respectively.

The Insurance Funds Policy can be found [here](#) and the Life Business Policy can be found [here](#).

## Madani Economy: Empowering the People

Prime Minister Datuk Seri Anwar Ibrahim launched the Madani Economy: Empowering the People policy framework on 27 July 2023 (“Madani Economy”).

The framework is a new planning involving various sectors and economic aspects, including steps towards enhancing economic growth, promoting investment, and strengthening the local industries to become more innovative, competitive, and capable of expanding into the global market.

Madani Economy will also serve as the foundation for several other specific policies that will be announced later, including the National Energy Transition Roadmap, the New Industrial Masterplan 2030, and the Mid-Term Review of the 12th Malaysia Plan.

The framework also sets out the following seven benchmarks to be achieved by Malaysia in less than 10 years:

1. ranks Top 30 largest economies in the world;
2. ranks Top 12 of the Global Competitiveness Index;
3. the percentage of labour share of income reaches 45% of the total income;
4. increases participation among women in the country's workforce to 60%;
5. ranks Top 25 of the Human Development Index;
6. ranks Top 25 in the world in the Corruption Perception Index; and
7. boosting the nation's fiscal sustainability with fiscal deficit of 3% or lower.

Initiatives to support the Government to achieve the benchmarks, include amongst others, strengthening Investment Promotion Agencies under MIDA to attract investment and facilitate investor affairs proactively, development of Financial Market Reform Policies by the Securities Commission to facilitate the investment of retail investors and launching of the National Energy Transition Roadmap to improve climate resilience.

Further information about Madani Economy can be viewed [here](#).

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