

## Now or Never: Getting Your Tax Refunds!

Recent Superior Court decisions saw taxpayers succeeding against the Revenue, such as in **Wiramuda (M) Sdn Bhd v Ketua Pengarah Hasil Dalam Negeri** [2023] 4 MLJ 753 (“the Wiramuda case”) where the Federal Court held that section 4C of the **Income Tax Act 1967** (“ITA”) was invalid as it infringed upon the landowner’s right to adequate compensation under the Federal Constitution. As such, proceeds from compulsory acquisition of land are always exempt from tax, as held by the Federal Court in the Wiramuda case and the Court of Appeal in **Ketua Pengarah Hasil Dalam Negeri v Penang Realty Sdn Bhd and another appeal** [2006] 3 MLJ 597 and **Ketua Pengarah Hasil Dalam Negeri v Metacorp Development Sdn Bhd** [Civil Appeal No: W-01–239–11].

Similarly, in **Sime Darby Ara Damansara Development Sdn Bhd v Ketua Pengarah Hasil Dalam Negeri** [2023] 8 MLJ 294 (which is pending appeal), the Court held that the Decision Impact Statement issued by the Revenue (“DIS”) was invalid, the Revenue having no power under the ITA to issue such DIS.

As there may be overpayments of tax following these developments, taxpayers must apply to the Revenue for tax refunds under the law, if they are affected.

As such, if you have similar issues, you should also apply for refunds as soon as possible so as not to be time-barred.

For more information about the above or tax matters in general, please contact:

[Anand Raj](#)  
[anand@shearndelamore.com](mailto:anand@shearndelamore.com)

[Irene Yong](#)  
[irene.yong@shearndelamore.com](mailto:irene.yong@shearndelamore.com)

[Foong Pui Chi](#)  
[foongpuichi@shearndelamore.com](mailto:foongpuichi@shearndelamore.com)

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# Tax & Revenue Law Update

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Shearn Delamore & Co  
7<sup>th</sup> Floor  
Wisma Hamzah Kwong-Hing,  
No 1, Leboh Ampang  
50100, Kuala Lumpur, Malaysia  
T: 603 2027 2727  
F: 603 2078 5625  
[info@shearndelamore.com](mailto:info@shearndelamore.com)  
[www.shearndelamore.com](http://www.shearndelamore.com)  
LinkedIn