TRAINING OUTLINE

COURSE TITLE	Monthly Tax Deduction (MTD) Calculation Essentials
DURATION	1 day

Introduction

This program will appeal to those new to Monthly Tax Deduction (MTD) and wish to explore the essential issues such as Type of Employment Income, Taxable and Non-Taxable Income, TP Forms and e-PCB Plus. It can be a refresher course to the senior members of relevant departments such like Human Resource, Account and dministration of an organisation to comply with Monthly Tax Deduction requirement accurately.

Training Objective

At the end of the workshop, participant will;

- Describe the nature of Monthly Tax Deduction
- Identify different types of employment income
- Differentiate taxable and non-taxable employment income
- Apply TP Forms and e-PCB Plus to determine Monthly Tax Deduction

Who Should Attend?

Human Resource Assistant, Human Resource Executive, Account Assistant, Account Executive, Accountant, Admin Assistant, Admin Executive, Manager, Business Owner

Learning Methodologies

Lectures, case studies, discussions, calculations, quiz

Course Content

Module 1: Nature of Monthly Tax Deduction (MTD)
Sub-module 1.1: Introduction to MTD (9:00 a.m. – 9:15 a.m.)
Training method: Lecture-based

- The trainer explains the meaning and nature of Monthly Tax Deduction (MTD), its purpose in the Malaysian tax system and its role in facilitating the collection of individual income tax through monthly payroll deductions.

Sub-module 1.2: Purpose and Importance of MTD (9:15 a.m. – 9:30 a.m.)
Training method: Lecture-based

- The trainer explains why MTD is implemented, including its importance in helping employees meet their income tax obligations and enabling employers to administer monthly tax deductions in accordance with applicable requirements.

Sub-module 1.3: Timing and Employer Responsibilities (9:30 a.m. – 9:45 a.m.)
Training method: Lecture-based

- The trainer explains when MTD applies to employment income and outlines employers' responsibilities in calculating, deducting and remitting monthly tax deductions within the applicable deadlines.

Sub-module 1.4: Understanding the MTD Process (9:45 a.m. – 10:00 a.m.)
Training method: Experiential learning

- Participants analyse a payroll scenario to identify when MTD should be applied and discuss the steps involved in determining an employee's monthly tax deduction. The trainer facilitates the discussion and provides feedback.

10:30 a.m. – 10:45 a.m.: Morning Break

Module 2: Employment Income – 1
Sub-module 2.1: Monetary Remuneration (10:45 a.m. – 11:20 a.m.)
Training method: Lecture-based

- The trainer explains monetary remuneration, including salary, wages, allowances, bonuses and other relevant employment payments, and their treatment for income tax purposes. Participants then complete a classification exercise using sample remuneration items to identify payments that may be subject to tax.

Sub-module 2.2: Benefits in Kind (11:20 a.m. – 12:00 p.m.)
Training method: Lecture-based (30 minutes) and Experiential learning (10 minutes)

- The trainer explains the concept of benefits in kind, including employer-provided assets, facilities and other non-cash benefits, and their relevant tax treatment. Participants analyse sample employee benefit scenarios to identify the benefits involved and discuss their potential tax implications.

Course Content

12:00 p.m. – 1:00 p.m.: Lunch Break

Module 3: Employment Income – 2
Sub-module 3.1: Living Accommodation Benefit (1:00 p.m. – 1:25 p.m.)
Training method: Lecture-based (20 minutes) and Experiential learning (5 minutes)

- The trainer explains the tax treatment of employer-provided living accommodation and the relevant principles for determining the value of the accommodation benefit. Participants review a sample scenario to identify the information required to assess the benefit's tax implications.

Sub-module 3.2: Unapproved Pension or Provident Fund Contribution (1:25 p.m. – 1:50 p.m.)
Training method: Lecture-based

- The trainer explains the treatment of contributions to unapproved pension or provident funds in relation to employment income and taxable remuneration. Participants examine a sample payroll scenario to identify the relevant contribution details and discuss their potential tax treatment.

Sub-module 3.3: Compensation for Loss of Employment (1:50 p.m. – 2:15 p.m.)
Training method: Lecture-based

- The trainer explains the tax treatment of compensation for loss of employment, including relevant considerations affecting its taxability. Participants review sample termination-payment scenarios and identify the information required to assess the applicable tax treatment.

2:15 p.m. – 2:30 p.m.: Afternoon Break

Module 4: MTD Calculation
Sub-module 4.1: Understanding TP Forms (2:30 p.m. – 3:00 p.m.)
Training method: Lecture-based (20 minutes) and Experiential learning (10 minutes)

- The trainer explains the purpose and application of relevant TP forms in the MTD calculation process. Participants review sample forms and identify the employee information, remuneration details and tax-related declarations required for processing monthly tax deductions.

Sub-module 4.2: Introduction to e-PCB Plus (3:00 p.m. – 3:25 p.m.)
Training method: Lecture-based (15 minutes) and Experiential learning (10 minutes)

- The trainer introduces the e-PCB Plus system and explains its main functions in MTD administration. Participants observe a demonstration of the system's workflow and identify the information required to process an employee's monthly tax deduction.

Course Content

Sub-module 4.3: Practical MTD Calculation Using TP Forms (3:25 p.m. – 4:05 p.m.)
Training method: Experiential learning

- Participants work through a practical case study using sample employee and payroll information. They review the relevant TP forms, identify applicable remuneration components and use the information provided to determine the inputs required for MTD calculations. The trainer facilitates the exercise and provides feedback on the participants' work.

Sub-module 4.4: Practical MTD Calculation Using e-PCB Plus (4:05 p.m. – 5:00 p.m.)
Training method: Lecture-based (10 minutes) and Experiential learning (45 minutes)

- The trainer demonstrates the MTD calculation workflow using e-PCB Plus and explains the key steps involved. Participants then perform a hands-on exercise using sample payroll data to enter employee details, process the calculation, review the results and identify possible data-entry or calculation errors. The trainer provides guidance and feedback throughout the exercise.