



Created by
Compliance Department

Compliance Guideline

Income Claims & Taxations

Enagic (Malaysia) Sdn Bhd
(201101042983) (Direct Sales License No.: AJL 931978)



1. Income Claims

Distributors are **not allowed** to make any income claims, income projections, income representations or showing of commission checks to prospective distributors.

Why is is prohibited to make income claims?

- It is based on individuals' efforts and hard work.



1. Income Claims

Distributors are only encourage to share how the marketing plan works.

What are the factors that differentiate each distributor's income potential?

- Time
- Effort
- Approach
- Technique
- Etc



2. Taxations

Distributors are liable for any tax obligations that may result from their monetary commissions or any non-monetary revenues.

Distributors are required to comply with any tax obligations that may be impose to you whether you are a Malaysian or a foreigner.



2. Taxations

Withholding Tax (1st January 2022)

- Company is required to apply a withholding tax at a rate of 2% on the gross amount payments made in monetary form to agents, dealer or distributors (ADD), arising from the sales, transactions or schemes carried out by ADD.



2. Taxations

Withholding Tax (1st January 2022).

Who is subjected to WHT?

- Agents, dealers and distributors – Individuals & sole proprietor, tax resident in Malaysia who has received more than RM100,000 (in monetary and/or non-monetary form) from the said company in the immediate-preceding year.

Who is not subjected to WHT?

- Businesses such as limited liability partnership (PLT), private company (Sdn Bhd) & association are excluded.



2. Taxations

Withholding Tax (1st January 2022).

What would happen if you are subjected to the WHT?

- You are subjected for 2% tax on every earning for the whole year.

When is the 2% withholding tax deduction payable to IRB?

- The 2% withholding tax deduction should be remitted to IRB within 30 days after payment has been made to you.



2. Taxations

Withholding Tax (1st January 2022).

What is your responsibility as a distributor?

- You are required to notify Enagic of your income tax number.
- If you do not have a tax file, company will still deduct the WHT and pay to IRB, but since you do not have income tax number, there will be no tax account attributable to you.



2. Taxations

Withholding Tax (1st January 2022)

Where can I provide my income tax number?

- New application

B. <u>PRINCIPAL BANK INFORMATION.</u>		**FILL OUT IF APPLICANT REGISTER AS DISTRIBUTOR**	
Account Holder Name:			
Name of the Bank:			
Account No.:			
NRIC No.:		Old NRIC No.:	
Company Registration No.:		Income Tax No.:	



2. Taxations

Withholding Tax (1st January 2022).

Where can I provide my income tax number?

- Existing application
 - Sent an email to accounts@enagic-my.com with the your full name, ID Number and Income Tax Number.



2. Taxations

Withholding Tax (1st January 2022).

Where can I register my income tax number?

- online via e-Registration <https://edaftar.hasil.gov.my/>

Can i refuse to register or provide Enagic with my income tax number?

- Not registering for income tax number or refuse to provide your income tax number despite having taxable income is an offence.



Contact Us

Should you need further assistance,
please contact us



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