

328/2020

CCS Insights

What types of relief are claimable for Individual Taxpayer in 2020 –
Deposit in Skim Simpanan Pendidikan Nasional

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个人所得税
所享有的减免

2020

Deposit in Skim
Simpanan
Pendidikan
Nasional

国民教育储蓄
基金

What Types of Relief are Claimable for Individual Taxpayer in 2020

24-Dec-20

2

7
Y/A 2020

Deposit in Skim Simpanan Pendidikan Nasional 国民教育储蓄基金



Conditions applying	Amount of relief	Law
Deposit made by an individual into Skim Simpanan Pendidikan Nasional for his/her child during the year of assessment (reduced by any withdrawals during that year).	8,000 (Max)	s 46(1)(k)
适用条件	减免数额	条规
个人在评估年度内为孩子存入国民教育储蓄基金的存款（在扣除该年的提款额后的余额）。	8,000 (最多)	s 46(1)(k)

24-Dec-20

What Types of Relief are Claimable for Individual Taxpayer in 2020

3

Deposit in Skim Simpanan Pendidikan Nasional 国民教育储蓄基金



- SSPN is a saving scheme introduced by the Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN). PTPTN was established under the Perbadanan Tabung Pendidikan Tinggi Nasional Act 1997.
- SSPN was introduced to enable parents to save and eventually finance their children's education at higher learning institutions.
- To encourage individuals to deposit into SSPN, paragraph 46(1)(k) of the ITA was introduced to allow a deduction for individuals who make deposits into the scheme.

24-DEC-20

What Types of Relief are Claimable for Individual Taxpayer in 2020

4

Deposit in Skim Simpanan Pendidikan Nasional 国民教育储蓄基金



- The net contribution is the amount of deposits after deducting the amount of withdrawals made during the year.
- SSPN accounts can be opened by parents for children aged 18 years and below and maintain the account until the child reaches the age of 29 years old.



24-DEC-20

What Types of Relief are Claimable for Individual Taxpayer in 2020

5

Deposit in Skim Simpanan Pendidikan Nasional 国民教育储蓄基金



- Deposits made by parents to this account until the child reaches the age of 29 can be allowed as a deduction.
- For children aged 18 and above, they have the option to either open an account under their own name or under their parents' name.
- However, if the account is opened under the child's name, any deposits made into the account are not eligible for deduction for the parents and the child.



24-DEC-20

What Types of Relief are Claimable for Individual Taxpayer in 2020

6

Deposit in Skim Simpanan Pendidikan Nasional 国民教育储蓄基金



- The statement of SSPN account of Ali is as follows:

Year	2019 [RM]	2020 [RM]
Opening balance	0	7,000
Deposit	7,000	8,000
Less: Withdrawal	0	(2,500)
Net Movement during the year	7,000	5,500
Ending balance	7,000	12,500

- The amount of deduction for deposits into SSPN account that can be claimed by Ali is as follows:
 - YA 2019: RM7,000 (maximum)
 - YA 2020: RM5,500 (i.e. RM8,000 - RM2,500)

24-DEC-20

What Types of Relief are Claimable for Individual Taxpayer in 2020

7

Extension of period of individual income tax relief



- The tax relief up to RM8,000 on net annual savings in Skim Simpanan Pendidikan Nasional (SSPN) due to expire in YA 2020 will be extended until YA 2022.



What Types of Relief are Claimable for Individual Taxpayer in 2020

24-Dec-20

8

Deposit in Skim Simpanan Pendidikan Nasional 国民教育储蓄基金



- Where in a YA:
 - wife/husband elects for combined assessment; or
 - wife/husband has no total income
- The amount expended by the wife/husband who elects or the wife/husband with no total income is deemed to have been expended by the spouse.



24-DEC-20

What Types of Relief are Claimable for Individual Taxpayers in 2020

9

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