

FACT SHEET: INCENTIVES FOR IN-HOUSE RESEARCH & DEVELOPMENT

In-house research relates to R&D carried out within a company for the purpose of its own business. The research must be carried out in Malaysia.

Companies that carry out such research are eligible to apply for Investment Tax Allowances (ITA) of 50% on qualifying capital expenditure incurred within 10 years of the start of the company's operations. The ITA can be utilised to offset 100% of the statutory income in the Year of Assessment.

Any allowances not utilised can be carried forward to subsequent years until fully utilised.