

High Court allows Sibu company's judicial review bid over disputed RPGT assessment

SIBU: The High Court here has granted leave for a local company to commence judicial review proceedings against the Inland Revenue Board's (IRB) decision to impose Real Property Gains Tax (RPGT) arising from a disputed assessment involving an irrevocable power of attorney.

The company had granted irrevocable power of attorney to another company to manage and

develop oil palm plantations on five parcels of agricultural land.

However, the IRB treated the power of attorney as a disposal instrument and subsequently issued an RPGT assessment based on a deemed disposal, resulting in what the company claimed was an excessive tax liability.

Dissatisfied with the assessment, the company filed an application for leave to initiate

judicial review proceedings against the IRB's decision.

It also lodged an appeal against the disputed RPGT assessments with the Special Commissioners of Income Tax (SCIT).

Following the hearing, the High Court in Sibu granted the company leave to proceed with the judicial review application and issued an interim stay on enforcement of the disputed

assessment pending further proceedings.

The company was represented by lawyer PY Lau of Messrs PY Lau & Lu Advocates.

George Lim of Battenberg & Talma Sibu, assisted by tax consultants Lam Kam Wing and Toh Yong Lai of JK Tax Services Sdn Bhd, Kuching, represented the company in filing the appeal to the SCIT.