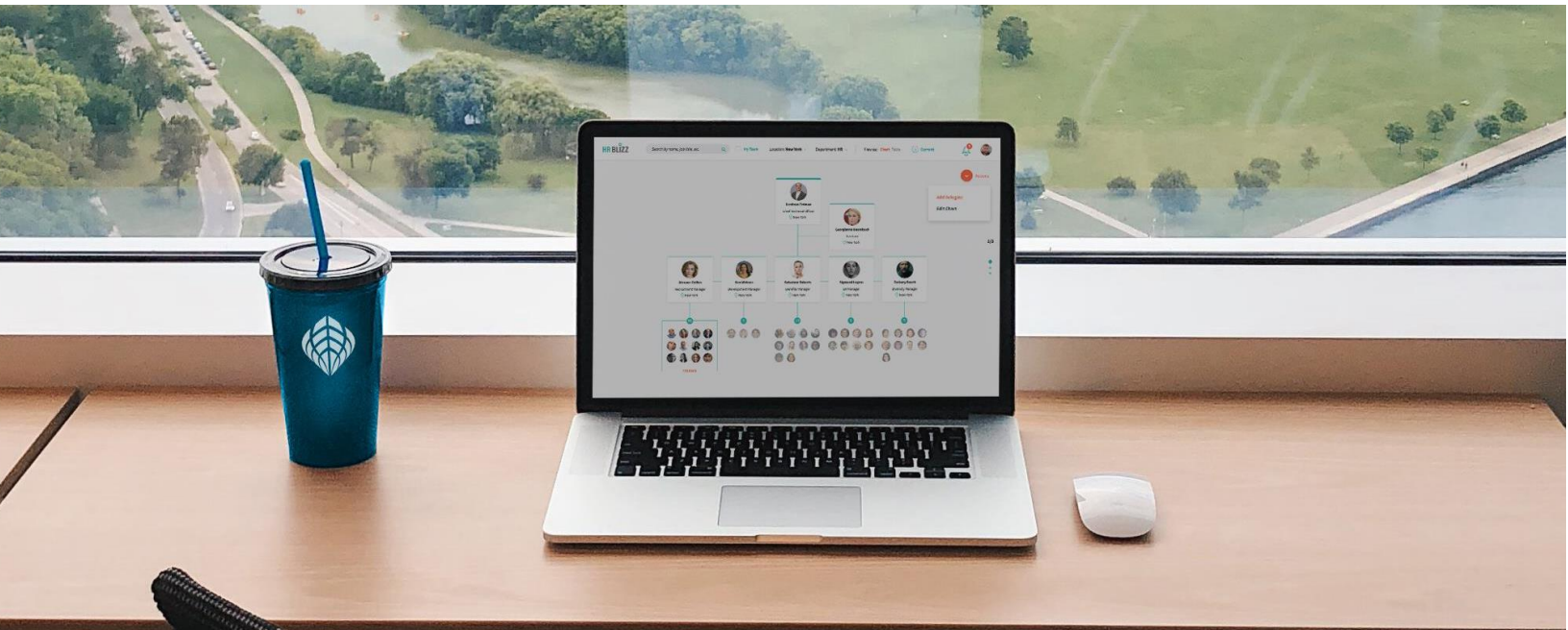




Simplifying Employment
Tasks Worldwide

Payroll & Tax Highlights

2020 Global Payroll Country Guide for Malaysia



MALAYSIA



May 04, 2020



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Malaysia – Passion made Possible.

Malaysia's economy is set to grow at its slowest pace since the 2009 financial crisis as it struggles with a trio of troubles

Malaysia's economy is set to grow at its slowest pace since the 2009 financial crisis as it struggles with a trio of troubles: coronavirus, oil-price crash and political upheaval . The International Monetary Fund (IMF) has projected that Malaysia's real gross domestic product (GDP) will grow at a rate of nine per cent next year, the fastest among Asean-5 countries which are expected to see a combined GDP growth of 7.8 per cent.

The economy has traditionally been fuelled by its natural resources but is expanding in the sectors of science, tourism, commerce and medical tourism. Malaysia has a newly industrialised market economy, ranked third-largest in Southeast Asia and 33rd largest in the world. It is a founding member of ASEAN, EAS, OIC and a member of APEC, the Commonwealth and the Non-Aligned Movement..

Malaysia is a federal constitutional elective monarchy. It is the only country in Southeast Asia which is officially federalist. The system of government is closely modelled on that of the Westminster parliamentary system, a legacy of British colonial rule. The head of state is the Yang di-Pertuan Agong, commonly referred to as the King.

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Doing Business in Malaysia

Entity Registration & Incorporation Requirements

Registration for a sole proprietorship or a partner in Malaysia is for a citizen or permanent resident and must be 18 years of age and above. The registered business must not violate any law or for lawful or otherwise unlawful purposes national security, general or moral. The types of business registration are as below.

- Business - EzBiz
- Co-operative – SKM Online
- Company – MyCOID
- Limited Liability Partnership - MyLLP

Business Registration Information

Business covers every form of trade, trade, occupation, profession, or other activities carried out for purposes of profit, but does not cover any office or employment or any charitable undertakings or any specified work in the Schedule under the provisions of the Registration of Business Act 1956 & Registration of Business Rules 1957.

Two (2) business forms:

1. Single Business - A business is wholly owned by a (1) owner
2. Business Partnership - Business is owned by at least two (2) persons and not more than twenty (20) partners

Registration of Sole Business & Partnership

1. The business owner or responsible person must register the business (sole proprietor / partnership) not later than 30 days from the commencement date of the business.
2. Registration can be made at any SSM counter or online via Ezbiz Online service at ezbiz.ssm.com.my.
3. Businesses can be registered using their own name or trend name.
 - a. Own name - Businesses that use their own name as in identity cards do not need to apply for name approval
 - b. Trend name - A business using commercial names.

Please visit the Companies Commission of Malaysia (SSM) page for more information on Fi. Online applications can be done via ezbiz Online.



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Business Resgitation

Company Type

1. Company limited by shares
2. Company limited by guarantee
3. Company is not limited

Company Features

1. Company must have name;
2. One or more members;
3. In the case of a limited company with shares, one or more shares; and
4. One or more directors

Requirements for the Establishment of the Company

Establishment of a company under the Companies Act 2016 may be made by an individual who intends to form a company. The basic requirements are:

1. **Private company** - at least one director with a major residence in Malaysia and one member of the company (shareholder); or
2. **Public company** - at least two directors with a primary residence in Malaysia and one member of the company (shareholders)

Please refer to the Companies Commission of Malaysia (SSM) page for more information on the Company's Incorporation Fees and Procedures

Online applications can be made through MyCoid.

Limited Liability Partnership (LLP)

The Limited Liability Partnership (LLP) is an alternative business container regulated under the Limited Liability Partnership Act 2012 which incorporates the characteristics of a company and conventional partnership.

The structure of the PLL business is designed for all legally legitimate business purposes aiming to profit. PLT can also be established by professionals such as Attorneys, Chartered Accountants and Company Secretaries for the purpose of practicing their professional practice. The concept of PLP will also support new businesses and small and medium enterprises (SMEs) grow their business without worrying about liabilities and personal assets as well as strict compliance requirements.

Main Characteristics

Among others, the PLL provides limited liability protection to its partners as is the limited liability enjoyed by a shareholder of a company. PLT also provides the flexibility of internal business rules through partnership arrangements similar to a conventional partnership.

Any debt and liabilities of PLT shall be borne and paid out of the property of the PLT and not from the property of its partners. PLT has the legal status of a corporation that can sue and sued in the name of the PLT itself,



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owns an asset in its name and does all other lawful matters in the same name as a corporation of another organization.

PLT also offers flexibility in terms of setting up, maintenance and termination and has dynamic features and attractions to compete domestically and internationally. With the introduction of PLT, entrepreneurs will have more business venues to choose from as appropriate.

How to Register a PLT

1. At least two (2) persons (wholly or partly, individual or body corporate);
2. Carrying out any lawful business for the purpose of making a profit; and
3. In accordance with the terms of the PLT agreement.

Please refer to the Companies Commission of Malaysia (SSM) page for more information on Limited Liability Partnerships Registration.

Online applications can be made through MyLLP.

Co-Operative Establishment

The co-operative is an organisation whose objective is to increase the economic significance of its members in accordance with co-operative principles. Any group of persons intending to set up co-operatives should first contact the Suruhanjaya Koperasi Malaysia (SKM). in their respective areas to obtain information and advice in relation to the establishment and registration of co-operatives.

Application Set Up Co-Operative

Measures to be taken before applying for the registration of cooperatives:

1. Contact the Office Of SKM

Application to establish a co-operative shall be submitted to the State through the Office of the Director of SKM Province/district. Application form can be obtained from the Office of SKM/region or downloaded from the website of Suruhanjaya Koperasi Malaysia (SKM). Applications can also be submitted online via the SKM Online Application System.

2. Submit Applications To Set Up Co-Operative

The completed application form should be submitted to the Office of SKM State to obtain the permission of the establishment.

3. Form A Committee Sponsors

Upon approval of the Director of SKM State, a Committee Sponsors a total of at least ten persons shall be formed.



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Information on Closing Business/ Winding Up Company & LLP

Completing Business

1. If a registered business has been terminated its operation, the person in charge of the business shall within thirty days (30) inform the Registrar by the form (Form C). Please refer to the Business Termination Guide for more information.
2. A business may be terminated for several reasons:
 - Business cessation
 - Owner's death
 - Court Order
 - Bankrupt

Please visit the Companies Commission of Malaysia (SSM) portal for more information.

Winding Up

The winding up of the company is a process of termination of the existence of a company in which all company assets will be collected and used to pay the company's debt and liabilities.

If there is a balance after all the company's debt is paid, the balance must be returned to shareholders and contributors according to their entitlement.

There are two ways to wind up the company:

1. Voluntary winding up company; and
2. Company winding up by Court order.

Please visit Official Website Of Suruhanjaya Syarikat Malaysia (SSM) for more information.

Winding Up of a Limited Liability Partnership (LLP)

Application for winding up of LLP can be made online at MyLLP Official Portal, Companies Commission of Malaysia (SSM) by:

- i. One of the partners who are legally registered as a user or professional user
- ii. Compliance officer who is one of the partners
- iii. Winding up by Court Order

Please visit the [SSM](#) Official Portal for more information.

Employment regulations

Employment Act 1955 The provisions of the Employment Act 1955 ("Employment Act") cover any person who works under a contract of service with an employer and who does not earn more than RM2,000 a month on wages, or specific categories of employees. Employees earning more than RM2,000 but not exceeding RM5,000 may use the enforcement provisions of the Employment Act to enforce monetary claims under their contracts. This is applicable to West Malaysia only. The Sabah and Sarawak Labour Ordinances ("the



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ordinances”) cover certain types of employees who have entered into or work under a contract of service with their employers. The ordinances include foreign workers of these specified occupations. Where the persons are not covered by the Employment Act and the ordinances, common law relating to employment will apply to them.

Working Week

The standard working week in Malaysia is 48 hours per week (8 hours per day), usually worked Monday to Saturday. Work beyond that amount is overtime and attracts a premium.

Basic Facts

Official State Name	Malaysia
Population	32.77 Million (32,772,100)
Capital	Kuala Lumpur
Major Languages	Malay
Currency	Malaysian Ringgit (MYR)
Main Industries	The economy has traditionally been fueled by its natural resources but is expanding in the sectors of science, tourism, commerce and medical tourism.
GDP Growth	6.5%
Internet Domain	.my
International Dialing Code	+60
Dates & Numbers	Dates are usually written in the day, month and year sequence. For example, 1 July 2020 or 1/7/20.

Working conditions, wages

The Malaysian Investment Development Authority (MIDA) publishes on its website at www.mida.gov.my a guide on the Cost of Doing Business in Malaysia which provides information on regulatory requirements relating to the following:

- Paid leave (annual leave, maternity leave, sick leave)



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- Paid holiday;
- Normal working hours (not more than 8 hours per day or 48 hours per week);
- Payment for overtime work;
- Salaries (maximum and minimum) for executives and non-executives in the manufacturing sector.
- Statutory contributions in respect of employees to the following funds:



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Tax & Social Security

Personal Income Tax

Scope of taxable income

Income tax is imposed on income accruing in or derived from Malaysia by any person. Gains or profits from an employment, profession or vocation are taxable if derived from Malaysia. Employment income is regarded as derived from Malaysia if the employment is exercised in Malaysia and is subject to Malaysian tax, even if the income is paid outside of Malaysia. Capital gains are not taxable except for those derived from disposal of real property or shares in a real property company.

Basis of assessment

Income is assessed to tax on a current year basis. All income of individuals are assessed on a calendar year basis. The year of assessment (YA) is the year coinciding with the calendar year, for example, the YA 2019 is the year ended 31 December 2019.

Residence status of individuals

The tax residence status of an individual is determined based on the number of days he is present in Malaysia. The individual would be regarded as a tax resident, if he meets any of the following conditions, i.e. if he is:

- in Malaysia for a least 182 days in a calendar year;
- in Malaysia for a period of less than 182 days during the year (shorter period) but that period is linked to a period of physical presence of 182 or more “consecutive” days in the following or preceding year (longer period). In ascertaining “consecutive” days, under certain situations, an individual’s temporary absence from Malaysia may be disregarded when determining tax residence status.
- in Malaysia for 90 days or more during the year and, in any 3 of the 4 immediately preceding years, he was in Malaysia for at least 90 days or was resident in Malaysia;
- resident for the year immediately following that year and for each of the 3 immediately preceding years.



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Tax Rates:

Chargeable Income (RM)	Tax Payable (RM)	Tax Rate (%) on excess (YA 2019)
5,000	0	1
20,000	150	3
35,000	600	8
50,000	1,800	14
70,000	4,600	21
100,000	10,900	24
250,000	46,900	24.5
400,000	83,650	25
600,000	133,650	26
1,000,000	237,650	28

Exemptions and concessional tax treatment for expatriates

Exemptions or concessions are given in certain situations, such as:

- Income tax exemption for non-resident employees who are short-term visitors (other than public entertainers), if the aggregate period(s) of employment in Malaysia do not exceed 60 days. If a short-term visiting employee is resident in a country that has a double tax treaty with Malaysia, the qualifying period is generally extended to 183 days provided certain other prescribed conditions are satisfied.
- Exemption for 50% of gross employment income for expatriates employed in a managerial capacity with a Labuan entity in Labuan, co-located office or marketing office .
- Exemption for an expatriate receiving fees as a director of a Labuan entity
- Expatriates working in approved Operational Headquarters, Regional Offices, International Procurement Centres, Regional Distribution Centres or Treasury Management Centres, based in Malaysia are taxed on a time apportionment basis in accordance with the employment income attributable to the number of days the employment is exercised in Malaysia.

Expenses and other payments

Employees are allowed a deduction for any expenditure wholly and exclusively incurred in the performance of their duties. Non-business expenses, such as medical expenses and taxes, are not deductible. Expenses of a private or domestic nature are expressly excluded from deduction.

Personal relief

Personal reliefs are deductible from the total income of a tax resident individual to arrive at taxable income. Examples of personal reliefs given are:



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	YA 2019 (RM)
Self	9,000
Spouse	4,000
Child	
• Per child (below 18 years old)	2,000
• Per child (over 18 years old) receiving full time instruction of higher education in respect of:	8,000
- Diploma level and above (in Malaysia)	
- Degree level and above (outside Malaysia)	
• Per child (over 18 years old serving under articles of indenture in a trade or profession	8,000
Life Insurance Premiums	3,000*
Employee Provident Fund Contributions	4,000*
Insurance Premiums for Education or Medical Benefits	3,000*
Medical Expense for self, spouse or child suffering from a serious disease	6,000*

Filing obligations and tax collection

An individual will self assess and compute his own chargeable income and tax payable. Upon submission of the tax return form, the taxpayer is deemed to have been served with a notice of assessment for which tax is due and payable. Annually, the due date for submission of individual income tax returns are:

- 30 April for individuals without business income
- 30 June for individuals with business income

Tax payments by employees are collected through compulsory monthly deductions from salary or bi-monthly instalment plan issued by the Inland Revenue Board (IRB). The balance of tax payable upon computing the chargeable income for a year of assessment is due and payable on the abovementioned submission due dates.

How to do e-Filing for Individual Income Tax Return

ezHASil e-Filing is a most convenient way to submit Income Tax Return Form (ITRF). It also saves a lot of time and very easy to complete it online rather than conventional methods by manually filling up the form because all the calculation is automatic. You just need to enter your income, deduction, relief and rebate only.

The most important thing is you will get a faster refund in case you paid excess income tax through PCB. Also, LHDN extended the dateline for extra 2 weeks.

For a new taxpayer or existing taxpayer who would like to complete ITRF for the first time, there are a few steps you have to complete prior to filling the ITRF form online through e-Filing.



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How to Register for ezHASiL e-Filing for Individual

Before you can complete your Income Tax Return Form (ITRF) via ezHASiL e-Filing, the first step you have to take is to Register at ezHASiL e-Filing website. Please bear in mind that you must be registered as Taxpayer prior to registering for ezHASiL e-Filing.

The process of registering is as follows:

- Apply for PIN Number → Login for First Time
 - Apply for PIN Number
 - There are 4 methods on how to obtain a PIN Number.
1. If your email address registered with LHDN, browse to [ezHASiL e-Filing website](#) and click [PIN Number Application](#).
 2. If you email address not registered with LHDN, you have to fill up [Online Feedback Form](#) to obtain PIN Number.
 3. The application must be attached with the following documents:
 - i. Individual citizen: MyKad / Card Police / Military Card.
 - ii. Individual who are not citizens of Malaysia: Passport
 - iii. Enclose completed [CP600B](#) form to update email address if the applicant email is different from the email address that already registered with the IRB.

Format of the attachment:

 - i. Format : *.jpg, *.png, *.gif, and *.pdf
 - ii. Size : 2 MB
 4. Through mail or fax to any nearest LHDN office. Kindly remember to attach Income Tax Number, latest address and a copy of National Registration Card (MyKad) both front and back.
 5. Visit the nearest LHDN Office

Login for First Time

After you receive a PIN Number, you can proceed to Login for the first time. To do this

1. Browse to [ezHASiL e-Filing website](#) and click [First Time Login](#)
2. Fill up PIN Number and MyKad Number & click Submit button
3. Review all the information & click Agree & Submit button.
4. Once you do this your e-Filing account & digital certificate will be registered & may proceed to complete the ITRF through ezHASiL e-Filing.



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Income Tax Return Form (ITRF) Eligible for ezHASiL e-Filing

Taxpayers are encouraged to complete their Income Tax Return Form (ITRF) via e-Filing. It is very convenience, save time and easy to complete it online rather than conventional methods by manually filling up the form. The most important thing is you will get a faster refund in case you paid excess income tax through PCB. Also, LHDN extended the dateline for extra 2 weeks.

For the time being, taxpayers can utilise e-Filing system if they are using the following ITRF.

Type of ITRF Form	Description
Form B/BT (e-B/e-BT)	Resident Who Carry on Business/Knowledge/Expert Worker
Form BE (e-BE)	Resident Who Does Not Carry on Business
Form P (e-P)	Partnership Return Form
Form M/MT (e-M/e-MT)	Return Form of a Non-Resident Individual/Knowledge Worker
Form E (e-E)	Return form of An Employer
Form C (e-C)	Return Form of a Company
Form R (e-R)	Statement of Revised 108 Balance
e-Estimated (e-CP204, CP204A-Amendment 6, CP204A-Amendment 9)	For Company/Co-operative Society/Trust Body

Taxpayers may complete their ITRF form at [LHDN e-Filing website](#).

Employees' Provident Fund (EPF)

The Employees Provident Fund Act 1991 requires employers and employees to make monthly contributions to the EPF to secure lump sum payments to employees at the age of 60 or earlier in the case of incapacity or upon permanent departure from Malaysia. Contributions are mandatory for employees who are Malaysian citizens or permanent residents. Expatriates and foreign workers, who are not Malaysian citizens or permanent residents are not required to contribute to EPF although they may elect to do so.

The standard rates of contribution by an employer for a working personnel are 12% or 13% depending on income threshold, and 11% by the employee.

Social Security Organization (SOCSO)

The Social Security Organization is an insurance scheme that covers Employment Injury and Invalidity Pension Scheme. All Malaysian citizens and permanent residents of Malaysia are covered by the Employment Injury Insurance Scheme (EIS) and Invalidity Pension Schemes (IPS), which are administered by the Social Security Organization (SOCSO). Effective from 1 January 2019, all employers who hire foreign workers (excluding



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domestic servants) are required to register and contribute to Employment Injury Scheme (EIS). A monthly contribution must be made for each eligible employee.

Employment Insurance System

The Employment Insurance System, (EIS) is a social security network aimed at helping workers who lost their jobs with financial assistance and to seek new jobs. EIS is administered by Social Security Organisation (SOCSO). It is mandatory for all private sector employers to make monthly contribution for each of their employees.

Human Resources Development Fund (HRDF)

HRDF provides financial assistance for training by contributing employers under certain designated training schemes. The employer that fall under the industries listed by HRDF are required to register with the HRDF and contribute in respect of employees who are Malaysian citizens. Currently there are 63 sub-sectors covered by HRDF under Manufacturing, Services, Mining and Quarrying. HRDF has standardized the minimum number of local employees to register with HRDF to 10 for all employers under the existing coverage of 63 sub-sectors.

The contribution rate will be at 1%. HRDF will allow voluntary registration to all employers under the existing 63 sub-sectors that employs 5 to 9 local employee to contribute HRDF at 0.5% of their monthly wages.

Calculation example

Estimated Tax Calculation	Amount in MYR
Gross Monthly Salary	10,000.00
SOSCO	19.75
EPF	1,100.00
EIS	7.90
Tax	383.33
Net Salary	8,489.02



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Malaysian Labor Law

What is Malaysian employment law?

Employment law in Malaysia is generally governed by the Employment Act 1955 (“Employment Act”). The Employment Act sets out certain minimum benefits that are afforded to applicable employees. For applicable employees – any clause in an employment contract that purports to offer less favorable benefits than those set out in the Employment Act, shall be void and replaced with the minimum benefits in the Employment Act. What many people fail to realize is that the Employment Act does not apply to all employees. The protection under the Employment Act only applies to these categories of employees (let’s call them EA Employees):

- Employees whose monthly salary does not exceed RM2,000
- Employees who are engaged in manual labour, regardless of salary
- Employees engaged in the operation or maintenance of mechanically propelled vehicle
- Employees who supervise or oversees other employees engaged in manual labour
- Employees engaged in any capacity on a vessel (subject to certain other conditions)

Annual Leave:

Under the Employment Act, these are the minimum requirements for annual leave:

Length of service - Annual leave entitlement

Less than 2 years - 8 days

2 years or more, but less than 5 years - 12 days

More than 5 years - 16 days

Annual leave can be pro-rated if an employee has worked less than a full year in that particular calendar year.

Sick Leave:

Under the Employment Act, sick leave entitlements are:

Length of service Sick Leave Entitlement (per annum); where hospitalization not necessary

Less than 2 years - 14 days

2 years or more, but less than 5 years - 18 days

More than 5 years - 22 days

Where hospitalization is required, EA employees are entitled to 60 days of hospitalization leave per year, provided that the number of sick leave and hospitalization leave per year shall not exceed 60 days in total.

Maternity Leave:

All female employees (including Non-EA Employees) are entitled to 60 consecutive days of paid maternity leave for her



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first 5 children. An employer is required to pay maternity allowance (ie payment of her salary for that 60 consecutive days) to an employee if she has been employed by that employer for:

At least 90 days in aggregate during the 9 months before her confinement; AND
She was employed by the employer at any time in the four months immediately before her confinement.

Starters / New Employees

Adding new employees to the workforce and the entry of the payroll components for new employees.

Required documents beside the data provided by the Client:

- Documents required for the registration of new hires with SOSCO:
 - a. Name
 - b. National Registration Identity Card Number
 - c. Occupation
 - d. Contribution details
 - e. Monthly wages
 - f. Allowances

Employer is responsible for the registration of the employees with SOSCO, EPF and EIS.

- Documents required for the registration of new hires with LHDNM:
 - a. A copy of the latest Salary Statement (EA/EC) or latest Salary Slip
 - b. A copy of Identification card / police i.c. / army i.c. / international passport
 - c. A copy of marriage certificate (if applicable)

Leavers

Statutory severance payments are only applicable to employees covered by the Malaysian Employment Act ("EA Employees"). EA Employees are entitled to minimum prescribed notice periods (or payment in lieu thereof), the length of which depends on the EA Employees' years of service.

	Resignation	Termination
Applicable Pay Elements	N/A	Last Contractual Salary
Minimum Service Period	N/A	1 year
EOS gratuity calculation	Days per year of service	Days per year of service
Service Period:		
1 – 2 years	N/A	10 days for every year of service
2 – 5 years		15 days for every year of service
5+ years		20 days for every year of service
Maximum EOS gratuity	N/A	N/A



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Payroll

It is acceptable in Malaysia to provide employees with online pay slips.

Payroll reports must be kept for at least 7 years.

Payslip Example



EMPLOYEE PAYS LIP

REF-P00-463

TRANSFERABLE AMOUNT:

Employer	Malaysia Demo Company
Employer address	My demo address, United City
Country	Kuala Lumpur
Pay Period	01-11-2017 - 30-11-2017

MYR	8489.02
-----	---------

Employee name	John Doe	Email	united@mal.my
Employee ID	001	Hire date	2017-07-12
Employee Position		Payment Method	Cheque

Summary			
Pay currency	Entitlements	Deductions	Net pay
MYR	10000.00	1510.98	8489.02

Entitlements	Amount	Currency	Details		
			Deductions	Amount	Currency
Basic salary (incl. Arrears)	10000	MYR	SOSCO	19.75	MYR
			EPF	1100	MYR
			EIS	7.9	
			Tax	383.33	MYR

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Immigration

An expatriate wishing to be employed in Malaysia must obtain a Malaysian work visa.

For this the expat must be first recruited by a Malaysian company and the employer will apply for a Malaysian on behalf of the employee.

There are different types of Malaysian work permits based on the profession and duration of work.

Employment Pass

A Malaysia Employment Pass is issued to foreign nationals who will work for a Malaysian company in a highly skilled position, such as a technical or managerial position.

Employment Pass requires the employer in Malaysia to obtain a pre-approval from the Expatriate Committee or a relevant regulatory to hire the expatriate employee.

There are three types of Employment Passes for Malaysia based on the employee's position and salary.

Employment Pass Category 1, which includes key post, such as executives, CEOs, technical or managing directors, project managers etc., is subject to the following conditions:

- Employee's monthly compensation must be at least RM10,000
- Employment contract must be for up to five years
- Employment Pass is renewable
- The employee is permitted to hire domestic staff

Employment Pass Category 2, which includes managerial and professional positions in a company, such as a marketing or investment manager, lecturers, directors, architects, etc. and is subject to the following conditions:

- Employee's monthly compensation must be RM5,000-9,999
- Employment contract must be for up to five years
- Employment Pass is renewable
- The employee is permitted to hire domestic staff

Employment Pass Category 3, which includes non-executive positions in a company that require significant work experience and specific technical or practical skills. For example, designers (fashion, manufacturing, furniture), craftsmen, food technologists, etc.

- Employee's monthly compensation must be RM3,000-4,999
- Employment contract must be for up to two years
- The Employment Pass cannot be renewed more than two times
- The employee is not permitted to hire domestic staff



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To qualify for a Malaysia Employment Pass, the employee must meet the following requirements:

- Possess the required academic qualifications
- Must have at least three years of relevant work experience
- Be employed in a managerial, executive or technical position which requires specific skills
- Must meet the required salary requirements
- Cannot be employed in a restricted industry

The process of obtaining a Malaysian Employment Pass consists of two parts:

1. Employer requests an approval to hire the expatriate employee (Expatriate Post) from the Expatriate Committee (EC) or another authorized approval agency;
2. Submission of the Employment Pass Malaysia application to the Immigration Department of Malaysia.

The employer has to submit the Employment Pass application to the Employment Pass Division of the Immigration Department of Malaysia. The application has to be submitted by mail or in person with the following supporting documents:

- Employment Pass application form
- Passport size picture
- A copy of the passport.
- The passport must be valid for at least six more months from the intended date of entry (Employment Pass duration cannot exceed the validity period of the passport)
- Letter or approval for Expatriate Post from the relevant authority
- Authorization from the employer to submit the application
- Employment Contract or an Offer and Acceptance Letter
- CV and copies of your diplomas and certificates
- The employer's company profile from Companies Commission of Malaysia (SSM)

Entry Permit is issued under Section 10, Immigration Act 1959/63 which allows the non-citizen to remain in Malaysia after the expiry of a valid Pass. This Permit enable the holder to apply for the Permanent Resident status with National Registry Department.

All Entry Permit applications should be submitted at the Immigration Department. In case of the application been refused by the Director General of Immigration Department, the affected person may appeal to the Home Minister by a writing petition within 30 days of the notification of the refusal.

Listed below are the compulsory relevant documents to be attached with the written appeal to the Home Ministry:

Category of Husband/Wife/Children of Malaysia Citizen

1. Petition of appeal by the appellant
2. Notification Letter from Immigration Department



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3. 3 photographs of appellant (passport size & blue background)
4. 1 photographs of sponsor (passport size & blue background)
5. Marriage and family picture
6. Wedding invitation letter (if any)
7. Marriage certificate
8. Copy of applicant passport (since the first entry into Malaysia)
9. Copy of sponsor passport (used for marriage outside of Malaysia)
10. Copy of identity card, citizenship certificate, birth certificate for sponsor, appellant (if any) and children
11. A letter from Headmaster or Principal (for children who have attended primary or secondary school)
12. Copy of divorce certificate and a copy of death certificate (if any)

Category of Point System

1. Petition of appeal by the appellant
2. Notification Letter from Immigration Department
3. A copy of Accreditation certification and support letter from the employer (for Category of Specialist/Professional)
4. Letter of Acknowledgement from the approval agency (for Category of Specialist/Professional)
5. SSM Statement (for Category of Investor)
6. 3 photographs of appellant (passport size & blue background)
7. 1 photographs of sponsor (passport size & blue background)
8. Order of deprivation of citizenship (if has renounced citizenship)
9. Copy of academic certificate
10. Resume/ Curriculum vitae (if any)
11. Salinan paspot pemohon (sejak masuk ke Malaysia)
12. Salinan paspot penaja (paspot yang digunakan untuk berkahwin di luar negara)
13. Copy of applicant passport (since entry into Malaysia)
14. Copy of sponsor passport (used for abroad marriage)

Temporary Employment Pass

Malaysia Temporary Employment Pass is issued for an employment duration of up to two years. It is issued for the following two categories:

1. Foreign Worker Temporary Employment Pass, where the foreign national is only allowed to work in the following categories: Manufacturing, Construction, Plantation, Agriculture and Services. Additionally, only nationals from approved countries can receive this type of Pass.
2. Foreign Domestic Helper (FDH) Temporary Employment Pass, which is only issued to female workers from approved countries. The foreign worker in this case would work in the home of her employer, provided that the employer has young children or elderly parents who need taking care of.

In order to be eligible for a Temporary Employment Pass for Malaysia, the following requirements must be met:

1. The employee must be employed in one of the following sectors:
 - Construction



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- Plantation
 - Agriculture
 - Services
 - Manufacturing
2. The employee is a citizen of one of the following countries:
- Bangladesh (only allowed to work in the Plantation sector)
 - Cambodia
 - India (not allowed to work in the Manufacturing sector)
 - Indonesia (male workers are not allowed to work in the Manufacturing sector)
 - Kazakhstan
 - Laos
 - Myanmar
 - Nepal
 - Pakistan
 - Philippines (female workers are not allowed to apply for any sector)
 - Sri Lanka
 - Thailand
 - Turkmenistan
 - Uzbekistan
 - Vietnam
1. The employee is aged 18-45 years
2. The employee has undergone a medical examination by an approved medical centre and are cleared as healthy and fit to work
3. The employer has obtained a foreign worker quota from Ministry of Home Affairs, One Stop Centre (OSC).

Professional Visit Pass

The Malaysia Professional Visit Pass is issued to foreign nationals who wish to work in Malaysia temporarily (up to 12 months) and are employed by a foreign company.



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Key Legislative Authorities

- <https://www.malaysia.gov.my/portal/>
- <http://www.hasil.gov.my/>
- <https://www.hasilnet.org.my/>
- <https://ez.hasil.gov.my/CI/Login.aspx?page=11>
- <https://www.kwsp.gov.my/>
- <https://www.perkeso.gov.my/index.php/ms/>
- <https://www.mohr.gov.my/index.php/en/>
- <https://www.imi.gov.my/>



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