



## **THE PROBLEMS OF SPECIAL TAX LOSS CARRY-FORWARD: THAILAND v.s. OTHER ASEAN COUNTRIES**

Smarat Mahapiyasilp

e-mail : thesmarat@yahoo.com

---

### **Abstract**

Tax loss carry-forward is a basic fair tool in tax policy of most jurisdictions to support taxpayers in the loss years. Apart from the normal Tax Loss Carry-Forward, among Asean member countries, Thailand is the only country offering the utilization of Special Tax Loss Carry-Forward as a tax incentive for an investment promoted company, which is promoted by the Board of Investment of Thailand (BOI). There are three main Corporate Income Tax (CIT) incentives in BOI laws concerning this special Tax Loss Carry-Forward. The first one is the incentive on exemption from CIT for a maximum period of eight years. The second is that yearly losses of promoted activities in the promotional period can be carried forward for another five years after expiration of the period. The last one is the incentive on 50 % reduction of the normal CIT rate for not more than five years from the expiry of the tax exemption period. Tax exemptions for 3-8 years which is the major tax measure of BOI promotions is a kind of tax incentives. This kind of tax incentive is generally known as tax holiday, which is still in doubt of their merit to the country offering it. The major problem issues in special tax loss carry forward, a tax incentive on top of the benefit from CIT holidays, are redundancy in tax benefits and uncertainty to tax policy, government budget, and practice of taxpayers. As all ASEAN member countries are approaching economic integration as ASEAN Economic Community (AEC) in 2015, tax policies in all member countries should be harmonized and be less tax competing. This special Tax Loss Carry-Forward in Thailand investment promotion laws is an excessive tax incentive that should strongly be repealed.

### **What is Tax Loss Carry-Forward?**

The phrase “Tax Loss Carry-Forward” or similar phrases are given meaning or definition in various major sources. The examples of meaning of the phrase are described below.

Tax loss carryforward<sup>1</sup> = “A technique used in accounting that allows to net operating losses to future profits in order to reduce tax liabilities.”

According to Section 66<sup>2</sup> of the Revenue Code of Thailand, all juristic companies or partnerships which are organized under the Thai law or which are organized under foreign laws but carry on business in Thailand shall pay corporate income tax (CIT) on the net profits, in the manner prescribed in Section 65<sup>3</sup> of the Code. However, business cannot earn profit every year, allowing the utilization of Tax Loss Carry-Forward is a basic fair tool in tax policy of most jurisdictions to support taxpayers in the loss years. Most of tax laws in every country allow taxpayers utilizing Tax Loss Carry-Forward for offsetting against the profit. Some tax jurisdictions, mostly developed countries, even permit taxpayers for Tax Loss Carry-Back, “which allows the business to carry a net operating loss back to offset profits in previous years.”<sup>4</sup>, and/or loss relief on group of company.

## Tax Loss Carry-Forward Treatment in Thailand

The normal Tax Loss Carry-Forward is defined as an accepted expense for tax purpose calculation of juristic companies and partnership, according to Section 65 ter(12) of the Revenue Code of Thailand. An accounting loss must be adjusted by applying the provisions in the Revenue Code prior to be utilized as a tax loss, which is an allowed expense for net profit calculation. And an accounting practice of yearly carried forward (First Loss – First Use) must be applied for utilizing Tax Loss Carry-Forward. Some calculation example of Tax Loss Carry-Forward in general cases can be shown in the following table.

**Table 1<sup>5</sup>** : Example of the Calculation of Tax Loss Carry-Forward in General Cases

<u>Accounting Period</u>	<u>Net Profit (Loss)</u> <u>(million bahts)</u>	<u>Taxable Income</u> <u>(million bahts)</u>	<u>Calculation of</u> <u>Carried Loss</u>
2541	(9)	(9)	
2542	(1)	(10)	(9)+(1)=(10)
2543	2	(8)	2+(10)=(8)
2544	3	(5)	3+(8)=(5)
2545	1	(4)	1+(5)=(4)
2546	2	(2)	2+(4)=(2)
2547	8	7	8+(1)=7

From the example in Table 1, although the company has 2 million bahts carried loss from accounting period of year 2546, it can utilize the carried loss to offset with profit in year 2547 for only 1 million bahts. This is because the 2 million bahts carried loss consists of 1 million bahts loss in year 2542 and 1 million bahts loss in year 2541 and the loss in year 2541 can be utilized offsetting with profit in later years till only year 2546 (5 years from year 2541). This is according to the Revenue Code Section 65 ter(12)<sup>6</sup>.

Apart from the normal Tax Loss Carry-Forward, Thailand also offers the utilization of Special Tax Loss Carry-Forward as a tax incentive for an investment promoted company, which is promoted by the Board of Investment of Thailand (BOI). There are three main CIT incentives concerning Tax Loss Carry-Forward, stipulated in the provisions of Investment Promotion Act. Firstly, the incentive on exemption from CIT for a maximum period of eight years is specified in section 31 Paragraph 1 and 2<sup>7</sup>. Secondly, yearly losses of promoted activities in the promotional period can be carried forward for another five years after expiration of the period, as specified in section 31<sup>8</sup> Paragraph 4. Lastly, the incentive on 50 % reduction of the normal corporate income tax rate for not more than five years from the expiry of the tax exemption period is specified in section 35 (1)<sup>9</sup>.

Section 31 paragraph 4 of the Investment Promotion Act specifies that “In the case where a loss has been incurred during the period of receiving exemption of juristic person income tax referred to under either paragraph one or paragraph two, the promoted person will be granted deducting such annual loss from the net profits accrued after the expiration of the period of exemption of juristic person income tax for a period of not more than five years commencing from the expiry date of such period. The promoted person may choose to deduct such loss from the net profit of any one year or several years of the five years.” According to the law

itself and the ruling of the Revenue Department, the BOI promoted company can offset the loss against both the annual profits in accordance with Section 65 ter(12) of the Revenue Code and the annual profits arising after the expiration of the tax exemption period or against either one of them. In practicing, the company utilizes tax loss carry-forward the most they can within five years after the annual loss, and carry the rest of unutilized loss for offsetting with the five-years profits after the expiration of the tax exemption period. The Revenue Department issued Revenue Department Notification on 5 February 1987<sup>10</sup> to guide the accepted applications for Tax Loss Carry-Forward calculation in several cases and the practices are mostly acceptable to the taxpayers. The examples of practiced utilization of special Tax Loss Carry-Forward for BOI promoted companies are shown in the following tables.

**Table 2<sup>11</sup> : Example of the Calculation of Tax Loss Carry-Forward for the Company operating only BOI project**

<u>Accounting period</u>	<u>Net Profit/ Net Loss</u>	<u>CIT</u>	<u>Carried Loss (Tax Loss Carry-Forward)</u>	<u>Remarks</u>
2540	(10)	-	(10)	
2541	7	BOI Exempt	(10)	
2542	(12)	-	(10)+(12)=(22)	
2543	2	BOI Exempt	(22)	
2544	1	BOI Exempt	(22)	
2545	8	-	8+(22) = (14)	
2546	9	5*30%=1.5	4 + (14) = (10)	Decide to utilize Carried Loss for only 4 out of 14
2547	7	7*30%=2.1	0 + (10) = (10)	Decide not to utilize carried loss
2548	10	-	10+(10) = 0	Utilize all Carried Loss
2549	3	3*30%=0.9	0	

**Remark :** Assumption is that the company was granted for 5 years tax exemption commencing on 1 Jan 2540 and started having income from BOI activity in 2540.

**Table 3<sup>12</sup> : Example of the Calculation of Tax Loss Carry Forward For the company operating both BOI and non-BOI activities**

<u>Accounting Period</u>	<u>Net Profit(Loss)</u>		<u>Integrated Taxable Net Profit(Loss)</u>	<u>CIT</u>	<u>Carried Loss (Tax Loss Carry-Forward)</u>
	BOI	Non-BOI			
2541	5	(20)	(20)	-	Non-BOI carried loss=(20) BOI carried loss = 0
2542	(15)	18	18+(20)+(15) =(17)	-	Non-BOI carried loss=(2) BOI carried loss=(15)
2543	3	1	1+(2)+(15) =(16)	-	Non-BOI carried loss=(1) BOI carried loss=(15)

2544	Expired	5	5+(1) =4 Decide to utilize carried loss =(1)	4*30 %=1.2	Non-BOI carried loss= 0 BOI carried loss=(15)
2545	Expired	10	10+(15) =(5)	-	Non-BOI carried loss= 0 BOI carried loss=(5)

**Remark :** Assumption is that the company was granted for 3 years tax exemption and started having income from BOI activity on 1 Jan 2541.

In 2009, the Revenue Department issued an internal ruling, which is the Tax-Issue Diagnosing Committee No. 38/2552<sup>13</sup>, to determine and interpret the long outstanding issue on the calculation method of net profits and loss carried forward for BOI promoted companies. The Tax-Issue Diagnosing Committee ruled that

“(1) in the case where a company operates both non-BOI project and two or more BOI promoted projects enjoying corporate income tax exemption, according to the Investment Promotion Act section 31, the losses incurred in one or more of the promoted activities must be initially offset with other profits attributable to that other promoted activities. If the final net amount incurred during the tax exempt period is a profit, then the company will be exempt from income tax. But if the net amount is a loss, the company can carry forward that net loss incurred during the tax exempt period to be deducted as expense from net profit incurred for five years commencing from expiration of the tax exempt period. The company may choose to deduct such loss from the net profit of any one year or several years of the five years, according to section 31 paragraph 4 of the Investment Promotion Act.”

This means that in the same account period, net losses of a BOI project must be set off against another BOI project. Then the company shall follow the conditions in Revenue Department Notification of 5 February 1987. The following table shows different approaches of calculation between the Revenue Department (R.D.)’s and the taxpayers’, the same approach to BOI’s.

**Table 4 : Comparison Example of R.D.’s Loss Carried Forward Calculation Approach v.s. Industry’s Approach**

Year	Net Profit (Loss) of BOI Projects		R.D. Approach’s Carried Loss Calculation	BOI Approach’s Carried Loss Calculation
	BOI Project A	BOI Project B		
1	(80)	-	(80)	(80)
2	(100)	40	(60)	(100)
3	30	30	-	-
4	50	(40)	-	(40)
Total Tax Loss Carry Forward			(140)	(220)

This issue was raised to the Central Tax Court<sup>14</sup> and the court decided that under the Investment Promotion Act, a BOI promoted company should be able to utilize the amount of a BOI project’s annual loss without having to offset the loss against an annual gain from other BOI projects, in calculating its net profits for Corporate Income Tax purpose. The court

referred to Section 16 and Section 19 of the Act<sup>15</sup> that the intention under both sections is to grant the tax privileges on a project basis, not a company basis. As a result of the judgment, with or without the government policy's intention, the taxpayer can easily plan to be effectively continuous tax free by utilizing all tax losses in multiple promoted projects. The simple example of redundancy in tax benefits for one BOI promoted company granted for several projects can be shown in the following table, which clearly shows that the company can be continuously 16 years tax-free with some carried loss at the end of year 16.

**Table 5 : Example of Redundant Tax Benefits for a BOI Promoted Company Granted for Several Projects**

Year	Net Profit(Loss) BOI Projects			Net Profit Non-BOI	Integrated Taxable Net Profit(Loss)	Carried Loss
	BOI A	BOI B	BOI C			
1	(20)			5	$5+(20)=(15)$	(15)
2	(10)			5	$5+(15)+(10)=(20)$	(20)
3	(10)			10	$10+(20)+(10)=(20)$	(20)
4	(5)			20	$20+(20)+(5)=(5)$	(5)
5	(5)	(25)		15	$15+(5)+(5)+(25)=(20)$	(20)
6	5	(20)		20	$20+(20)+(20)=(20)$	(20)
7	5	(15)		20	$20+(20)+(15)=(15)$	(15)
8	10	(10)		15	$15+(15)+(10)=(10)$	(10)
9		(5)	(20)	20	$20+(10)+(5)+(20)=(15)$	(15)
10		(5)	(10)	15	$15+(15)+(5)+(10)=(15)$	(15)
11		15	(5)	10	$10+(15)+(5)=(10)$	(10)
12		30	10	(10)	$(10)+(10)=(20)$	(20)
13			(5)	(10)	$(20)+(5)+(10)=(35)$	(35)
14			20	5	$5+(35)=(30)$	(30)
15			20	10	$10+(30)=(20)$	(20)
16			15	10	$10+(20)=(10)$	(10)

**Remark :** Assumption is that the company has been granted for 3 different projects. Project A is granted for year 1-8. Project B is granted for year 5-12. Project C is granted for year 9-16.

The Tax Issue Diagnosing Committee also ruled that

“(2) During the five year period of a 50 % tax reduction following the expiry of tax exemption, specified in section 35(1) of the Investment Promotion Act, BOI losses must first be offset against the profits of BOI projects, according to section 31 paragraph 4 of the Investment Promotion Act. Then if there is any remaining net loss, it can be used as a deduction against profits derived from non-BOI activities. ”

This means that net losses of all tax exempt BOI projects must be primarily set off against profits of the promoted business allowed for 50 % reduction of the CIT normal rate. It appears that the business practice for this issue is opposite to the ruling's practice. Companies, for its lower tax burden, generally offset the carried loss against profits of Non-BOI activities first. Until now, there is no court ruling on this issue. The following table shows difference in calculation on this issue between the Revenue Department (R.D.)'s approach and the business practice.

**Table 6 : Comparison Example between the Revenue Department’s Approach and Business Practice in the Case of Company with Non-BOI Activities and BOI Project Granted 50 % of CIT Rate After the Promotional Period**

	<u>R.D. Approach</u>		<u>Business Practice</u>	
	<u>BOI Project</u>	<u>Non-BOI</u>	<u>BOI Project</u>	<u>Non-BOI</u>
<u>Loss Carry Forward</u>	(200)		(200)	
<u>Tax Rate</u>	15 %	30%	15%	30%
<u>Net Profit(Loss)</u>	100	200	100	200
<u>Taxable Income</u>	(200)-100=(100)	(100)-200=100	100	(200)-200=0
<u>Tax Amount</u>	0	100*30%=30	100*15%=15	0
<u>Total Tax Amount</u>	30		15	

### **Tax Loss Carry-Forward Treatment in Vietnam**

Since the adoption of “Doi Moi” economic reforms policy in 1986, Vietnam has been turned from state-controlled economy, where state-owned enterprises played major role in all economic aspects to socialist market-oriented economy, where the state plays only a decisive role in the economy while a significant role in commodity production is in the hand of privately-owned enterprises. Attracting foreign direct investment (FDI) has been a key focus of market-oriented policy reforms and the opening of the economy to FDI was a crucial part of the economic reforms policy. The National Assembly of the Socialist Republic of Vietnam passed the first law on FDI in 1987 and the law on FDI has been continuously adjusted. The present law on FDI is a part of the substances in the Law on Investment 2005<sup>16</sup>. However, tax laws in Vietnam, such as Law on Corporate Income Tax 2008<sup>17</sup>, contain all tax incentives including incentives granted for Investment Promotion. According to Article 16 of Law on Corporate Income Tax 2008, Enterprises which suffer a loss shall be entitled to carry forward the loss to the following year and such loss shall be deductible from assessable income. Losses may be carried forward for a maximum period of five years as from the year following the year in which the loss arose. But enterprises which suffer a loss from activities being real property transfers shall only be entitled to carry forward the loss to assessable income from such activities. Loss carry-back is not permitted. And there is no provision for any form of consolidated filing or group loss relief.

In Thailand, tax incentives are granted through the provisions in tax laws and in other laws. Investment Promotion Act is not a tax law but contains the provisions on tax incentives. Section 31 of the act grants major tax incentives which are Tax Holidays for 3-8 years and special Tax Loss Carry Forward. Special Tax Loss Carry Forward is the provision that allows BOI promoted companies offsetting their Tax Loss Carry Forward against the profits for 5 years after the expiry of Tax Holidays and the companies may choose to deduct such loss from the net profit of any one year or several years in this 5 years period.

The other major difference is the basis for granting tax incentives. The Promotions granted in Thailand are on project-by-project basis. As a result, one company can be granted for several projects. But in Vietnam nowadays, the promotions are granted on company basis so a company shall be eligible for only one promoted project. The following table summarizes the comparison of Tax Loss Carry-Forward Treatment between two countries.



**Table 7 : Comparison of Tax Loss Carry Forward Treatment Between Thailand and Vietnam**


	Vietnam	Thailand
Provisions on Granting Tax Incentives for Promoted Enterprise	In Law on Corporate Income Tax	in Investment Promotion Act
Granting Basis for Tax Incentives	Company basis (1 company 1 projects)	Project basis (1 company >1 projects)
General Loss Carried Forward	Yes	Yes
Utilization Period of General Loss Carried Forward	5 years	5 years
Condition on Utilization of General Loss Carried Forward	Consecutively year by year	Consecutively year by year
Special Loss Carried Forward For Promoted Enterprise	-	Section 31 paragraph 4 Of Investment Pro. Act
Utilization Period of Special Loss Carried Forward for Promoted Enterprise	-	5 years after the Expiry of Promotion Period
Condition on Utilization of Special Loss Carried Forward for Promoted Enterprise	-	Any year or many years out of 5 years period

### Tax Loss Carry-Forward in Other Asean Countries

For Singapore<sup>18</sup>, Losses may be carried forward indefinitely, subject to compliance with a shareholding test. Losses may be carried back for 1 year, subject to a cap of SGD 100,000 and compliance with the shareholding test. For Malaysia<sup>19</sup>, losses may only be carried back for assessment years 2009 and 2010. But they may be carried forward indefinitely, except where there is a substantial change in corporate ownership of a dormant company. For Brunei Darussalam<sup>20</sup>, losses may be carried forward for 6 years and carried back 1 year. There are not the same special tax loss carry-forward offers, as in the case of Thailand, for investors granted for investment incentives in other Asean member countries.

### Discussion

Considering the problems arisen from the Tax-Issue Diagnosing Committee's Ruling No.38/2552 and the comparison of the treatments of Tax Loss Carry Forward for promoted companies between in Thailand and in Vietnam as well as other Asean countries, there are three major issues causing problems in tax loss carry forward treatment for BOI promoted companies in Thailand. Firstly, the BOI' project-by-project basis in granting tax incentives causes redundancy in tax benefits for a promoted company. Secondly, the provision in the Investment Promotion Act itself causes problems. The part of the provision, allowing taxpayers to offset carried loss against both the net profits of five following years as normal and the net profits of the years after tax holidays, or against either one of them, causes interrupted periods in utilizing loss carried forward. And this leads to, according to the principles of good tax policies<sup>21</sup>, uncertainty to tax policy, government budget and practice of taxpayers. The part of the provision providing special privileges for taxpayers not having to carry its tax loss year-by-year consecutively also causes uncertainty to both taxpayers and the government budget. All in all, the provisions on granting tax incentives in other laws,




such as in the Investment Promotion Act, are the main problem causing uncertainty to taxpayers, tax policy and the government budget.

It is clearly seen that Thailand BOI's tax exemptions for 3-8 years which is the major tax measure of BOI promotions is a kind of tax incentives or preferences (Terms of general application used to describe tax exemptions, deductions, credits, rate reductions, or other concessions designed to attract foreign investment or otherwise to affect economic behavior).<sup>22</sup> This kind of tax incentives is generally known as tax holidays. According to the principles of good tax policy, tax holidays are still in doubt of their merit to the country offering it. For example, they cause inequity and unfairness among investors who are granted for them and who are not. They also do not comply with the neutrality principle since they can create distortions in resources allocation. The primary goal of tax holidays which are enhancing economic growth is also still in wonder when the cost-effectiveness<sup>23</sup> consideration is taken into account. Howell H. Zee, Janet G. Stotsky and Eduardo Ley criticized in their study that "the use of tax incentives is widespread even though the available empirical evidence on the cost-effectiveness of such incentives in stimulating investment is highly inconclusive. For example, in a recent survey of 75 Fortune 500 companies with respect to their foreign investment locations, Wunder (2001) reported that only four of the 75 companies surveyed identified tax factors as being the most important variable. Halvorsen (1995) analyzed various incentives granted in Thailand and found that the rates of return in the supported projects were so high that the investments would have taken place in any event regardless of incentives. According to their study, among all forms of tax incentives, CIT (Corporate Income Tax) Holidays are the worst ones. There are three frequently cited advantages of CIT holidays. First, they relieve the tax authorities of the burden of administering them. Second, they allow qualified investors the added benefit of being able to side-step often complex tax laws, onerous tax regulations, and corrupt tax administrations. Third, they are neutral in their impact on the relative factor (capital and labor) intensities of qualified projects. These advantages are counterbalanced by numerous shortcomings which are particularly pronounced with CIT holidays. Firstly, by exempting profits irrespective of their amount, CIT holidays tend to benefit an investor who expects high profits and would have undertaken the investment even if there were no such incentives. Secondly, CIT holidays provide strong incentives for tax avoidance, as taxed enterprises could enter into economic relationships with exempt ones to shift their profits to the latter through transfer pricing. Thirdly, the duration of CIT holidays, even if formally time-bound, is prone to abuse an extension by investors through creative re-designation of existing investment as new investment. Fourthly, time-bound CIT holidays tend to attract short-run projects, which typically are not as beneficial to the economy as longer-term ones that would usually become profitable only toward the end of the holidays and, therefore, can make little use of such holidays. Lastly, the revenue costs to the budget are seldom transparent, unless enterprises enjoying the holidays are still required to file proper tax returns, in which case administrative resources must be devoted to activities that yield no revenue, and the alleged benefit of CIT holidays of allowing investors to dispense with their dealings with tax authorities is negated."

As all ASEAN member countries are approaching economic integration as ASEAN Economic Community (AEC) in 2015, tax policies should be harmonized. The collaboration on the policies among all ASEAN member countries should be implemented for sustainable benefit of the member countries. Although AEC Blueprint<sup>24</sup> mentions about taxation in only two parts, which are enhancing the withholding tax structure to promote the broadening of investor base and completing the network of bilateral agreements on avoidance of double






taxation among all member countries, there should also be least tax competition among the member countries. Special tax loss carry-forward after BOI promotion period under the Investment Promotion Act Section 31 paragraph 4 is a tax incentive on top of the wondered benefit on CIT holidays. The prudent design of law on application of it should be seriously taken into account. This kind of excessive tax incentive should strongly be repealed.

---

## References:

1. “Tax loss carryforward,” at [www.investordictionary.com/definition/tax-loss-carryforward](http://www.investordictionary.com/definition/tax-loss-carryforward), (last visit Oct 1, 2012)
2. Section 66 of the Revenue Code of Thailand.
3. Section 65 of the Revenue Code of Thailand.
4. “What's the Difference between a Loss Carry Back and a Loss Carry Forward?,” at <http://biztaxlaw.about.com/od/businessstaxdeductions/f/Difference-Between-A-Loss-Carry-Back-And-A-Loss-Carry-Forward.htm>, (last visit Oct 1, 2012)
5. Mongkol Kanadnid, Tax Burden in Boi promoted enterprise (Bangkok: Chuanpim 50 Company Limited 2009) p. 38.(Adapted)
6. Section 65 ter (12) of the Revenue Code of Thailand
7. Section 31 Paragraph 1 Paragraph 2 of the Investment Promotion Act
8. Section 31 Paragraph 4 of the Investment Promotion Act
9. Section 35(1) of the Investment Promotion Act
10. Revenue Department Notification dated on 5 February 1987.
11. Amornsak Pongpasut, Advanced Tax Accounting, (Bangkok: Chuanpim 50 Company Limited, 2010), p. 9-42. (Adapted)
12. Amornsak Pongpasut, Advanced Tax Accounting, (Bangkok: Chuanpim 50 Company Limited, 2010), p. 9-47. (Adapted)
13. The Tax Issue Diagnosing Committee 38/2552 :Re. Corporate Income Tax, in case of offsetting loss from business granted investment promotion against net profit arising after period of exemption of corporate income tax.
14. Central Tax Court Decision No.190/2010.
15. Section 16 and Section 19 of Investment Promotion Act.
16. Law on Investment 2005 (No. 59-2005-QH11) of Vietnam
17. Law on Corporate Income Tax 2008 (No. 14-2008-QH12)
18. “Singapore Highlights 2012” at [http://www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Tax/Taxation%20and%20Investment%20Guides/2012/dttl\\_tax\\_highlight\\_2012\\_Singapore.pdf](http://www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Tax/Taxation%20and%20Investment%20Guides/2012/dttl_tax_highlight_2012_Singapore.pdf) (last visit Oct 1, 2012)
19. “Malaysia Highlights 2012” at [http://www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Tax/Taxation%20and%20Investment%20Guides/2012/dttl\\_tax\\_highlight\\_2012\\_Malaysia.pdf](http://www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Tax/Taxation%20and%20Investment%20Guides/2012/dttl_tax_highlight_2012_Malaysia.pdf) (last visit Oct 1, 2012)
20. “Brunei Darussalam Highlights 2012” at [http://www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Tax/Taxation%20and%20Investment%20Guides/2012/dttl\\_tax\\_highlight\\_2012\\_Brunei.pdf](http://www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/Tax/Taxation%20and%20Investment%20Guides/2012/dttl_tax_highlight_2012_Brunei.pdf) (last visit Oct 1, 2012)
21. Pennsylvania Institute of Certified Public Accountants (PICPA), “Guiding Principles of Good Tax Policy : A Framework for Evaluating Tax Proposals,” at [www.picpa.org/govt](http://www.picpa.org/govt) (last visit Oct 1, 2012).

- 
- 
22. Brian J. Arnold and Michael J. McIntyre, International Tax Primer, (London: Kluwer Law International, 2002), p.168.
  23. Howell H.Zee et al, “Tax Incentives for Business Investment: A Primer for Policy Makers in Developing Countries”, World Development Vol.30\_No.9(2002):1497-1516.
  24. AEC Blueprint, at <http://www.aseansec.org/21083.pdf> (last visit Oct 1,2012)