

Remarks at Perdana forum misrepresented
MalaysiaKini
June 20, 2013

I refer to the *Malaysiakini* article 'Red tape mars Malaysia's attractive tax incentives' published at 3.05pm on June 18, 2013.

I would like to clarify that I was grossly misquoted. My remarks made at the Perdana Leadership Foundation CEO Forum 2013, were also taken out of context.

The session where I was a panelist was entitled "A SWOT analysis of Malaysia: Taking a realistic view of the country".

Hence, it was expected that I shared strengths and highlight the areas which could improve our standing to compete internationally.

My opinions were focused on Malaysia's taxation system and incentives.

I presented and stressed that as a country, we have done very well to be placed in the Top 15 list of the easiest places in the world to pay tax and Top 10 in the ranking for tax incentives.

We surpass countries like Japan, Australia, China and UK in terms of incentives based on the IMD World Competitiveness Yearbook 2012.

I quoted examples and statistics from international bodies of how well Malaysia has done.

During the presentation, I had clearly stated that if we wanted to enhance our position even further, some areas which could be looked into to enhance our competitiveness could be enhancing the competitiveness of our double tax agreements with certain countries.

Where enhancing our incentives further were concerned, we could have a system which facilitates the approval process, consider reducing the approval period even further as well as holistically look into the entire process end-to-end from application to approval, to the investors filing tax returns and during audits by tax authorities.

I did not say that "tax authorities should not conduct audits on investing firms". Nor did I give this example: "Clients have had to wait for three years just to get approval for tax exemption request".

Nowhere during the session did I say that "we continue to stumble over implementation woes" or "the application process - it looks good on paper but when you apply, it takes a long time".

I view this misrepresentation by your report to be very serious.

I request that *Malaysiakini* retract this story as the statements made are misquoted, false and misleading. Thank you.

JENNIFER CHANG is PricewaterhouseCooper (PWC) Taxation Services senior executive.

Editor's note: On receiving Jennifer Chang's complaints, *Malaysiakini* checked both all available [video](#) footage, as well as with the journalist who wrote the report.

Based on our investigation, we do not think Chang's remarks were taken out of context by the journalist. By pointing out the areas to be improved, Chang, in her expert opinion, was indeed stating that these were hampering the effectiveness of the current tax incentive system in the country.

Regarding Chang's contention over the statement "we continue to stumble over implementation woes", it should be noted that this was never presented as a direct quote by Chang.

As for Chang's denial over having made the statement on lengthy application process, we found she did in fact make this statement, however, the original quote was cut short during the editing process.

In the audio recording of her presentation, Chang is quoted as saying, "One of the things (that could be improved on) would be our application process. It looks great on paper but when we actually go and apply for some of these incentives, sometimes it takes a little bit longer."

In regard to Chang's statement on auditing, *Malaysiakini* would, however, like to clarify that Chang's actual statement did not indeed state that firms should not be audited, but rather incentives which have been granted should not be later questioned during an audit.

For this, we apologise for the error which occurred after the sentence was inadvertently changed during editing.

As for the contention over the example of a three-year wait by her client, our reporter maintains that Chang cited the example during the later question-and-answer session, when responding to a question on tax break incentives for certain activities.

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