

UNIVERSITI TEKNOLOGI MARA

**EMPLOYERS' PROFILES IN CASES OF TAX
NON-COMPLIANCE TOWARDS THEIR
EMPLOYEES' MONTHLY TAX DEDUCTION
RULES AT THE INLAND REVENUE BOARD,
JALAN DUTA BRANCH**

SUSAN BINTI SAPIDIN

**MASTER IN FORENSIC ACCOUNTING AND
FINANCIAL CRIMINOLOGY**

JUNE 2014

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Applied research project submitted in partial fulfilment
for the degree of
Master in Forensic Accounting and Financial Criminology

Faculty of Accountancy

June 2014

Candidate's Declaration

I declare that the work in this applied research was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledged as referenced work. This research has not been submitted to any other academic institution or non-academic institution for any other degree or qualification.

In the event that my applied research is found to violate the conditions mentioned above, I voluntarily waive the right of conferment of my degree and agree to be subjected to the disciplinary rules and regulations of Universiti Teknologi MARA.

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Faculty: **Faculty Of Accountancy**
Thesis Title: **Employers' Profiles in Cases of Tax Non-Compliance
Towards Their Employees' Monthly Tax Deduction Rules at
Inland Revenue Board, Jalan Duta Branch**

Signature of Candidate:



Date: 23th June 2014

ABSTRACT

The purpose of this applied research is primarily to help the MTD Audit Unit in Cawangan Jalan Duta in understanding the employers that likely tend to not comply with the MTD Rules. In preparation for Malaysia to practice the MTD as a final tax, the effectiveness of this approach will only could be achieved if the employer complies with Rules MTD correctly. Therefore, a great responsibility carried by the IRB to ensure that employers fulfil their responsibilities accordingly. This also includes the responsibility to educate employers on the practicalities of making the MTD as a final tax with effective in 2015. Therefore, this study is the researcher's attempt to determine the employer's profile based on several business and directors' gender and ethnicity factors towards their decision not to comply with the MTD Rules. The results of the research shows that the small and medium size business which directed by male and Chinese directors are the highest profile of employers who are more likely not to comply with the MTD Rules. The findings suggest that kind of business should be concentrated focus during the case selection for MTD audit.

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