

ANNEX B-1: Tax Change to Encourage Continual Upgrading

Course Fee Relief

S/N	Name of Tax Change	Current Treatment	New Treatment
1	Course fee relief: To encourage continual upgrading	<p>(a) For vocational qualifications, taxpayers can claim tax relief if the course is relevant to his current trade, business, profession, vocation or employment or he makes a relevant career switch within two years after completion of the course.</p> <p>(b) For courses leading to an academic or professional qualification, the claim can only be made in the year the expense is incurred.</p>	<p>(a) For approved vocational qualifications, taxpayers can claim tax relief regardless whether the course is relevant to his current trade, business, profession, vocation or employment.</p> <p>(b) For courses leading to an approved academic, professional or vocational qualification, the claim can be made within 2 years of assessment from the year of assessment (“YA”) relating to the year in which he completed the courses. This will benefit taxpayers who may not be able to benefit from the relief in the YA for which the expense is actually incurred. The taxpayer should claim the tax relief, as soon as he has assessable income above \$22,000, within the 2 YAs from the YA relating to the year in which he completes the course.</p> <p>These changes will take effect from YA2009.</p>