

President's Message

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 President



As I navigated to work this morning, passing many illegally parked cars, I was wondering where my tax money was going. Where were the JPJ Officers? Is it so easy to get away from the law for our citizens to ignore the parking rules? As I pondered this, I felt acutely the pressure of producing the October Presidential Message. The WhatsApp and emails have made this a 24/7 job. The ubiquitous nature of the social media plus the apparent urgency of the LHDN matter is sitting as a cloud over the gathering storm of medical practice. As I looked through the to-do list for today, I found I have a lot of things to do. I have to sort out my own tax business, an appointment with my tax accountant, and finish my operating theatre list. I had already cancelled going to the opening ceremony of the Bar Council Conference today. I have to find replacements for the Melaka and Kedah Installation dinners on the weekend. HGS is already deputising at the joint MMA – IJN Symposium in Ipoh. The President's job is supposed to be enjoyable, representing the Association travelling to different meetings, different countries, and attending dinners. I have been in office for almost four months now and I am trying to do the best I can as President of MMA. As past presidents

will have experienced; the numerous responsibilities of a MMA President is on the increase with each and every year. Besides what I had alluded to, the MMA President has to attend meetings. There is also the constant media and press queries that the President has to dwell on. Issues on public health and safety, disease outbreaks and chronic illnesses are always and often being highlighted.

The role of the President includes representing Malaysia in many overseas trips and as an Ambassador in the medical field. There is much planning to do ahead of these trips, data collection and bringing to focus image management and a collective medical view of our country moving forward.

To enable and to allow the President to work efficiently in his/her one year term of office, As MMA President, I really feel that there is a great need for MMA to engage a permanent staff (economic/accounting/law background) who has the professional ability to deal with the issues which are the following...

- To defend the reputation of Doctors, ability to scan the press and produce Press Release for the Association. This is the **Press Officer** for MMA.

- To ensure appropriate remuneration / working conditions of Doctors, both in the private and government sectors, including the service condition of employed doctors, a so-called **Trade Union Officer**
- Advice on career pathways development; a **Senior Medical Officer**.
- Financial planning which includes tax planning, advice on business structures, insurances and retirement planning, investment; a **Financial Advisor**.
- Issues on professional conduct, medical legal matters, civil law, contracts, tax law and defamation; a **Legal Officer**.

In addition to the above, we need an **Office Manager**, an **IT Officer**, **Event Organiser**, **Accountant**, **Publisher**, **Editors** and more. The effectiveness and efficiency of MMA Office will definitely improve with the appointment of a CEO and this was resolution tabled by Dr Thirunavukarasu Rajoo and Dr Raj Kumar Maharajah and passed at the Miri AGM. The Recruitment Committee consisting of Dr Ashok Phillip, IPP, Dr Ravi, PE and myself has been formed. The task is not easy with the varied skills required. We are also mindful of two previous experiences with MMA paying compensation for the unhappy disengagement of General Managers.

Tax on your mind

On 5 September 2016, we met with the Director General of LHDN. This resulted in a letter dated 9 September 2016 laying out how tax should be treated. I am sure you have gone through the letter and the various attachments. I am especially bemused by the flyer from LHDN "DOCTOR You are the Nation's Hero!", and "Hasil Your Feel Good Partner".

DG LHDN is using Section 140(1) of the Income Tax Act 1967 (Act 53) which is the power to disregard certain transactions if he suspects any attempts to avoid paying tax. The treatment of the income from the hospitals to the specialists will be according to the contracts. If this is between the hospital and the specialist, this income cannot be declared in a Sdn Bhd and must be declared as a personal income. In spite of our plea that this is a new ruling which doctors are not aware of, he said there were many precedents in the court to decide on this. He said he could not treat doctors separately and recommended the doctors to avail themselves to the General Amnesty on Voluntary Disclosure released in Feb 2016 as part of

the Recalibration of Malaysian Budget. The Voluntary Disclosure for YA2013 and 2014 will be done at the Cyberjaya HQ with the designated officers' contacts given in the letter. He asked MMA to work together for an amicable solution. This Amnesty period finishes on 15 December 2016, after which the full force of LHDN will be used.

MMA Tax Committee and EXCO met urgently on 18 September 2016 and decided to ask for a further meeting with LHDN to seek clarifications and ask for legal advice.

As a general advice to our members, I urgently urge all members to seek tax experts to look through their personal accounts and to avail themselves to the tax amnesty if applicable. Every case should be dealt with individually with the tax consultant's assistance.

Austerity measures

As we go into discussions with the Ministry of Finance on 2017 Budget Proposals, we are mindful of the RM1B budget cut from MOH budget last year. It is anticipated that this year, a further RM250 million cut is necessary. The burden of an aging population and chronic illnesses is already evident with the long queues at government hospitals and clinics. Patients are already buying their own implants and drugs privately. Not all patients can afford to buy but have to suffer quietly while waiting for their operations. Options of going to private sectors are not really viable because of affordability issues. While we all hope that these difficult times are temporary and will soon improve, we ask everybody to contribute more to alleviate sufferings. The Voluntary Health Insurance is one of these new initiatives by MOH and we await eagerly for more details. Collectively, we can do something.

2017 Penang AGM

Please mark your calendar for the 57th MMA AGM 18-21 May 2017. This AGM will see the installation of Dr Ravi Naidu as President of MMA. The dates are chosen because the month of Ramadan will start on 27 May 2017. The Exco is taking over the organisation of this AGM and we will appreciate everyone to cooperate and help make this AGM a success.

In conclusion, I am grateful for all the support and the contributions from all Chairmen, Council Members, Exco, Committee Members and many others who have worked hard to make MMA a success.