

Media Statement

OFFICIAL HOLDING STATEMENT FROM DATO' DR ZAKI MORAD, CHAIRMAN OF BOARD OF DIRECTORS OF THE NATIONAL KIDNEY FOUNDATION OF MALAYSIA

RE: WITHDRAWAL OF TAX-EXEMPT STATUS FOR NKF MALAYSIA

(PETALING JAYA, 4 September 2019) – The National Kidney Foundation of Malaysia (NKF) has been informed by the Lembaga Hasil Dalam Negeri (LHDN) that its Tax-Exempt Status has been withdrawn with immediate effect on 29th August 2019. This happened following an audit on the Foundation carried out by LHDN a few months ago.

In the audit, LHDN found instances of non-compliance to Sub-section 44(6) of the Akta Cukai Pendapatan 1967 by the Foundation. The Foundation has responded to the audit queries, in which some of our explanations were accepted while a number of others were not. The non-compliance areas are in terms of the procedural matters and the accounting structure which did not indicate clearly the specific use of donated funds, especially for the Dialysis operations.

NKF Malaysia wishes to clarify strongly that the audit did not show any abuse or misuse of funds. Our external auditor, Deloitte Malaysia, similarly did not indicate any misuse of funds and all funds were used in pursuit of the objectives of the Foundation.

LHDN has advised NKF Malaysia to immediately re-apply for a Tax-Exempt status and follow the guidelines established by them. The foundation is currently seeking a Tax consultant for advice on the application to ensure compliance with the guidelines.

NKF Malaysia would like to assure our donors, supporters, patients and members that it will continue its commitment to assist the poor kidney failure patients in getting subsidized treatment, promote kidney health awareness and early detection and prevention of kidney disease as well as supporting training of healthcare workers in prevention and treatment of kidney diseases.

We appeal to donors who prefer to have Tax-Exempt receipts to defer their donation until such time when our Tax-Exempt status is restored. However, donations can still be accepted but without tax exempt receipts. We will issue official receipts for all donations received until the tax exempt status is reinstated.

To contact a NKF Malaysia personnel for further information, please dial 03 - 7954 9048 ext. 206 or email fundraising@nkf.org.my / shobana@nkf.org.my .

While there is a lot of information in the public domain which is being misinterpreted at times, please follow the guidance in this statement and ignore information from other sources.

