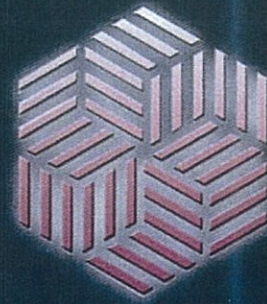


# ICoMM

INTERNATIONAL CONFERENCE ON MANAGEMENT AND MUAMALAH



## 4<sup>TH</sup> INTERNATIONAL CONFERENCE ON MANAGEMENT AND MUAMALAH (4<sup>TH</sup> ICoMM 2017)

*"Innovative Research Towards Sustainable Economy"*

PALM GARDEN HOTEL, PUTRAJAYA  
7 & 8 November 2017

Organized by

FACULTY OF MANAGEMENT & MUAMALAH



KOLEJ UNIVERSITI ISLAM ANTARABANGSA SELANGOR

الكلية الإسلامية العالمية للإدارة والتجارة  
INTERNATIONAL ISLAMIC UNIVERSITY COLLEGE SELANGOR

AKADEMI PENGURUSAN YaPEIM



اتحاد فقهائنا في العلم

In Collaboration



Selangor State Education, Human  
Capital Development, Science, Technology  
and Innovation Committee

KUISCELL

## CONFERENCE SCHEDULE

7 November 2017 (Tuesday)	
Time	Activities
8.00 am – 8.30 am	Registration
8.30 am – 10.00 am	Parallel Session I A Parallel Session I B Parallel Session I C
10.00 am – 10.30 am	Break and Refreshment
10.30 am – 12.30 pm	Parallel Session 2 A Parallel Session 2 B Parallel Session 2 C
12.30 pm – 2.00 pm	Lunch Break and Zuhr Prayer
2.00 pm – 3.30 pm	Parallel Session 3 A Parallel Session 3 B Parallel Session 3 C
3.30 pm – 5.00 pm	Parallel Session 4 A Parallel Session 4 B Parallel Session 4 C
5.00 pm	Tea Break
8 November 2017 (Wednesday)	
Time	Activities
8.30 am – 10.00 am	Parallel Session 5 A Parallel Session 5 B
10.00 am – 11.00 am	Break and Refreshment
11.00 am – 1.00 pm	Programme Opens with: - Singing of the State and University Anthems - Du'a Recitation <b>Welcoming Speech:</b> YBhg. Dr Mokmin Basri, Deputy Rector of Academic & Research, KUIS <b>Keynote Speech:</b> YBhg Dr. Mohamed Haleem Mohamed Razi, Director Akademi Pengurusan YaPEIM Memorandum of Agreement (MOA) Signing Ceremony <b>Closing Ceremony:</b> - Speech & Program Launching by Y.B. Tuan Nik Nazmi Nik Ahmad, Selangor State Executive Councilor (EXCO) for Education, Human Capital Development, Science, Technology and Innovation

Day 1  
7 November 2017 (8.30am-10.00am)

Parallel Session 1A

Moderator: Pn. Nor Fadilah Bahari  
Room: Room A  
Theme: Accounting

1	Brand Value Determination of Malaysian Public Companies. <i>Shuhaimi Jaafar</i>
2	The Positive Effect of Malaysia Government Corporate Tax Reduction Initiative on Public Listed Companies Revenue“ A Longitudinal Study. <i>Hamdino Hamdan</i>
3	Corporate Governance, Financial Freedom and Banks Performance: A Conception. <i>Mohamad Sofuan Mohamad Saleh</i>
4	The Effect of The Board of Directors Characteristics on Corporate Sustainability Reporting. <i>Zainab Aman</i>
5	Tax Expectation Gaps, Value Creation and Aggressive Tax Avoidance: A Literature Review. <i>Nor Fikhriah Takril</i>
6	Motivations to Pursue Professional Accounting Qualifications Among Accounting Undergraduates in Malaysia. <i>Suhaila Abdul Hamid</i>
7	Preventive Maintenance in Malaysian SMEs Manufacturing Organizations: Results from A Survey. <i>Ass Prof Halim Mad Lazim</i>

THE POSITIVE EFFECT OF MALAYSIA GOVERNMENT CORPORATE  
TAX REDUCTION INITIATIVE ON PUBLIC LISTED COMPANIES'  
REVENUE– A LONGITUDINAL STUDY

*Hairul Azlan Annuar, Khadijah Isa, Hamdino Hamdan,  
Ibrahim Aramide Salihu And Sakiru Adebola Solarin.*

ABSTRACT

The policy of gradual reduction in the corporate tax rate in Malaysia, which commenced since 1988 and continued till today, has become a cause for concern, as the benefits of such reduction have not been established at least empirically. The present study thus investigates the impact of the reduction of the corporate tax rate on the corporate tax revenue. The study adopts the theory of taxation by Ibn Khaldun – depicted as laffer curve. The analysis of the time series data for period between 1996 and 2014, using the ARDL approach, shows that the corporate tax rate has a dual effect on the corporate tax revenue over the study period. It shows an inverted U-shape relationship between corporate tax rate and corporate tax revenue and further reveals that the optimal tax rate is 25.5156%. Inferentially, a positive relationship existed between the two variables prior to the optimal tax rate and a negative relationship afterward. A further test of causality also shows a long-run unidirectional causality from corporate tax rate to corporate tax revenue. Thus, the policy of the gradual reduction of the corporate tax rate is suspected to have positive impacts on the productivity of Malaysia companies in term of increase in corporate tax revenue.

*Keywords: ibn khaldun; laffer curve; corporate tax rate; longitudinal approach; malaysia*