

## PRACTICE DIRECTION 2 OF 2023 Rates Chargeable on Taxation

This Practice Direction is issued to address the revised rates chargeable by lawyers for their fees on taxation, effective 1<sup>st</sup> January 2024. The purpose of this direction is to provide clarity, guidance, and uniformity in the determination and assessment of legal fees during the taxation process.

## 1. Increased Rates:

In accordance with this direction, lawyers are hereby notified that there will be an increase in the rates chargeable for their fees on taxation. The new rates, outlined in the attached schedule [ANNEX A], will be applicable to all taxation proceedings commencing on or after 1<sup>st</sup> January 2024.

#### 2. Transitional Arrangements:

For matters where taxation proceedings have already commenced prior to the effective date of this direction, the existing rates shall continue to apply.

### 3. Submission of Documentation:

Lawyers are reminded of their obligation to submit clear and comprehensive documentation, including time sheets (when available), supporting their fee claims during taxation proceedings.

#### 4. Judicial Discretion:

The Court will retain the authority to review and assess the reasonableness of legal fees claimed during taxation proceedings. Lawyers are encouraged to exercise prudence and transparency in their fee submissions to facilitate a fair and expeditious assessment.

#### 5. Communication with Clients

Lawyers are further encouraged to communicate any changes in fee rates to their clients in a timely and transparent manner. This includes notifying clients of the increased rates and any potential impact on ongoing or future matters.

#### 6. Compliance:

Failure to comply with the provisions of this Practice Direction may result in the court taking appropriate measures, including but not limited to adverse cost orders and other sanctions. This practice direction is issued to promote fairness, transparency, and efficiency in the taxation process while recognising the legitimate needs of legal professionals for reasonable compensation. It is expected that all parties involved will adhere to these guidelines to maintain the integrity of the legal process.

Dated this 13th day of December 2023

Dato Seri Paduka Steven Chong Chief Justice



# ANNEX A

;

The proposed rates chargeable by lawyers for their fees on taxation, effective 1<sup>st</sup> January 2024 are as follows:

Number of Years in Practice	Hourly Rate - BND		
Newly admitted 2 – 4 Years 5 – 9 Years 10 – 14 Years 15 – 19 Years Over 20 Years	\$300 \$350 \$400 \$500 \$600 \$700		

Ð