

**TECHNICAL**

**Direct Taxation**

**[LOANS GUARANTEE \(BODIES CORPORATE\) \(REMISSION OF TAX AND STAMP DUTY\) ORDER 2017 \[P.U. \(A\) 78/2017\]](#)**

The above Order was gazetted on 16 March 2017 and came into operation on 17 March 2017.

The Order is issued under S.10(1) of the Loans Guarantee (Bodies Corporate) Act 1965 (the Act). It provides for the following taxes to be remitted in full –

**1. Income tax (paragraph 2)**

Any tax payable under the Income Tax Act 1967 (ITA) by any individual or entity listed in subparagraphs 2(a) to 2(c) of this Order [see Table 1 below] in respect of money payable under any agreement, note, instrument and document in relation to the product and guarantee referred to in paragraph 4 of this Order [see Table 2 below].

**2. Stamp duty (paragraph 3)**

Any stamp duty payable under the Stamp Act 1949 in respect of any agreement, note, instrument and document in relation to the product and guarantee referred to in paragraph 4 of this Order [see Table 2 below].

Table 1

**Individuals or entities eligible for remission of tax under Paragraph 2 of the Order**

<b>Para. 2</b>	<b>Entity/ individual</b>
(a)	The National Savings Bank to which the Act applies by virtue of the Loans Guarantee (Declaration of Bodies Corporate) (National Savings Bank) Order 2017 [ <u><a href="#">P.U. (A) 77/2017</a></u> ].
(b)	Any holder of the Medium Term Notes (the “MTN”), or Islamic Medium Term Notes (the “Sukuk Murabahah”).
(c)	Any other party to any agreement, note, instrument and document in relation to the Medium Term Notes Programme (the “MTN Programme”) or Islamic Medium Term Notes Programme (the “Sukuk Murabahah Programme”) or the guarantee provided or to be provided by the Government of Malaysia, including any party to whom such agreement, note, instrument and document is transferred or assigned.

Table 2

**Product and guarantee to which this Order applies –**

<b>Para. 4</b>	<b>Product/ facility/ guarantee</b>
(a)	The MTN issued by the National Savings Bank (NSB) pursuant to the MTN Programme in nominal value of up to 1 billion ringgit, and Sukuk Murabahah issued by the NSB pursuant to the Sukuk Murabahah Programme in nominal value of up to 1 billion ringgit.

Para. 4	<i>Product/ facility/ guarantee</i>
Proviso	<i>Provided that the combined aggregate of the outstanding nominal value of the MTN and Sukuk Murabahah shall not exceed one billion ringgit (RM1,000,000,000.00);</i>
(b)	The guarantee provided or to be provided by the Government of Malaysia relating to the MTN and Sukuk Murabahah.

Members may read the Order in full at the website of the [Attorney General's Chambers](#).

**Disclaimer**

This document is meant for the members of the Chartered Tax Institute of Malaysia (CTIM) only. CTIM has taken all reasonable care in the preparation and compilation of the information contained in this E-CTIM. CTIM herein expressly disclaims all and any liability or responsibility to any person(s) for any errors or omissions in reliance whether wholly or partially, upon the whole or any part of this E-CTIM.