

TECHNICAL

Indirect Taxation

GST TREATMENT FOR RECOVERY OF REPAIR COSTS UNDER WARRANTY FROM OVERSEAS MANUFACTURERS – RMCD ANNOUNCEMENT

The Royal Malaysian Customs Department (RMCD) has recently uploaded an [announcement on the GST treatment for recovery of repair costs under warranty from overseas manufacturers](#). The Finance Minister has agreed that the recovery of repair costs under warranty by distributors from overseas manufacturers are considered as “**cost recovery**” and not subject to GST, subject to the conditions set-out in the announcement which include the requirement for the distributor in Malaysia to submit a written application to the Director General of Customs. According to the announcement, the effective date is **1 July 2017**.

Inquiries on the above-mentioned matter can be directed to:

1. Sektor 2, Bahagian GST, Jabatan Kastam Diraja Malaysia
Tingkat 3 – 7, Blok A, Menara Tulus, No. 22, Persiaran Perdana, Presint 3
62100 Putrajaya
Email: gstsector2@customs.gov.my
No. Tel: 03 88822614 / 03 83111306
2. Unit Kawalan Kemudahan, Bahagian GST, Jabatan Kastam Diraja Malaysia
Tingkat 3 – 7, Blok A, Menara Tulus, No. 22, Persiaran Perdana, Presint 3
62100 Putrajaya
No. Tel: 03 83237535

The written application on the above-mentioned matter should be submitted to the Director General of Customs at the following address:

Unit Kawalan Kemudahan, Bahagian GST, Jabatan Kastam Diraja Malaysia,
Tingkat 3 – 7, Blok A, Menara Tulus, No. 22, Persiaran Perdana, Presint 3,
62100 Putrajaya.
No. Tel: 03 83237535

Members may view the announcement on the [Institute's website](#) or on the [official website of the Malaysia GST](#).

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