

TECHNICAL

Direct Taxation

REVISED GUIDELINES ON THE ESTABLISHMENT AND OPERATIONS OF LABUAN LEASING BUSINESS

The Labuan Financial Services Authority (Labuan FSA) has issued the revised [Guidelines on the Establishment and Operations of Labuan Leasing Business \(as at 29 December 2017\)](#) [“the Guidelines”] on their website. The purpose of the Guidelines is to clarify the application procedure, operational and regulatory requirements for Labuan companies carrying out leasing business in the Labuan International Business and Financial Centre (IBFC). It replaces the [Guidelines dated 1 August 2013](#).

The revised Guidelines is based on the deliberation by the relevant stakeholders in relation to the assessment of the Labuan Leasing Regime by the Organisation for Economic Co-operation and Development’s (OECD) Forum on Harmful Tax Practices (FHTP).

The Labuan FSA has also issued [Frequently-Asked Questions \(FAQs\) on the Guidelines \(updated 16 April 2018\)](#) on their website. The FAQs are on the following areas:-

- a. Applicability
- b. Permitted business activity
- c. Paid-up capital
- d. Operational requirements
- e. Fees payable
- f. Implementation date

Members may read the Guidelines & FAQs at the websites of the [Institute](#) and the [Labuan FSA](#).

You may write to the Institute at technical@ctim.org.my or secretariat@ctim.org.my in respect of any suggestions, concerns or comments you may have on the [revised Guidelines](#) so that we may raise them to the Labuan FSA.

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