

TECHNICAL

Direct Tax

MDEC: MSC MALAYSIA STATUS SERVICES INCENTIVE [NON-IP]

The Malaysia Digital Economy Corporation Sdn Bhd (“MDEC”) had issued an [announcement](#) on the Multimedia Super Corridor (“MSC”) Malaysia Status Tax Incentive on its website.

According to the [announcement](#), previously, the tax exemption for MSC Malaysia Status was granted for the income derived from MSC Malaysia Approved Activities. Moving forward, the tax exemption will be granted for income derived from either services activities [Services Incentive (Non-IP)] and/or intellectual property [IP Incentive] in line with Malaysia’s commitment on the international tax standard (refer to our [e-CTIM TECH-DT 90/2018 dated 10 December 2018](#)). The MSC Malaysia Status Services Incentive [Non-IP] is regulated under the [Income Tax \(Exemption\) \(No. 10\) Order 2018 \[P.U. \(A\) 389/2018\]](#) which was gazetted on 31 December 2018 (reported in our [e-CTIM TECH-DT 3/2019 dated 9 January 2019](#) and [e-CTIM TECH-DT 72/2019 dated 10 September 2019](#)). The MSC Malaysia Status IP Incentive is being reviewed by the Government.

MDEC has uploaded the following documents on its website in respect of the MSC Malaysia Status and Services Incentive [Non-IP]: -

- [Application Guidelines](#)
- [Application Form](#)
(The completed application form is to be forwarded to mscapplication@mdec.com.my).
- [Frequently Asked Questions \(“FAQ”\)](#)

Applications for the MSC Malaysia Status Services Incentive [Non-IP] can be made from 2 April 2019 onwards.

For further enquiries on the above, the MDEC Client Contact Centre (“CliC”) can be contacted at 1-800-88-8338 (within Malaysia) or +603 8315 3000 (overseas) or email at cllc@mdec.com.my.

Members may view the announcement and documents at the websites of the [Institute](#) and [MDEC](#).

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