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Labuan FSA: Clarification to Labuan Investment Committee Pronouncement 2-2019

The Labuan Financial Services Authority ("FSA") has uploaded a [Clarification to Labuan Investment Committee \(LIC\)* Pronouncement 2-2019](#) dated 20 December 2019 on its website.

** The LIC comprises of the Ministry of Finance (Tax Division), the Labuan FSA and the Inland Revenue Board of Malaysia (LHDNM). It is mandated to recommend policies on substantial activity requirements in Labuan IBFC and monitor enforcement of the related regulations on substantial activity requirements.*

The Clarification makes reference to the [Circular on LIC Pronouncement 2-2019](#) dated 11 December 2019 (refer to our [e-CTIM TECH-DT 108/2019](#)). It sets out the changes as approved by the Ministry of Finance to the substantial activity requirements for certain Labuan entities. These changes are to take effect from 1 January 2019 and are subject to the issuance of gazetted rules and/or regulations which would include amendments to the [Labuan Business Activity Tax \(Requirements for Labuan Business Activity\) Regulations 2018 \(P.U. \(A\) 392/2018\)](#).

The secretariat of the LIC can be contacted on the [Clarification on LIC Pronouncement 2-2019](#) as follows:-

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Members may view the Clarification in full at the [Institute's website](#) and the [Labuan FSA website](#).

You may write to the Institute at technical@ctim.org.my or secretariat@ctim.org.my in respect of any suggestions, concern or comments you may have on the [Clarification](#).

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