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TECHNICAL

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**Indirect Tax**

**RMCD's Operations and Services during the extended Movement Control Order Period**

Further to our [e-CTIM TECH-IT 28/2020](#) dated 8 May 2020 and following the extension of the Movement Control Order ("MCO") period (from 18 March 2020 to 12 May 2020) to 9 June 2020, the Royal Malaysian Customs Department ("RMCD") has issued a [Notice](#) (only available in Bahasa Malaysia) dated 29 May 2020 on its [website](#). According to the [Notice](#), the RMCD has decided that the penalty on payments for the MCO period will be fully remitted if the payments are received the latest **on or before 30 June 2020**.

The abovementioned remission is given in relation to tax / levy as follows:

1. Sales Tax or Service Tax via SST-02 return
2. Imported Service Tax via Form SST-02A
3. Tourism Tax via TTx-03 return
4. Departure Levy via DL-02 return

In addition to the above, the RMCD has stated that no legal action will be taken by the RMCD on late submission of returns / declarations for the affected taxable periods ended 29 February 2020, 31 March 2020 and 30 April 2020 (i.e. submission deadline of 31 March 2020, 30 April 2020 and 31 May 2020 respectively).

This decision is specific for the taxable period ended as follows:

| Taxable Period ended | Due date for submission of returns and payment of tax | Payment received until 30 June 2020 |
|----------------------|---|-------------------------------------|
| 29 February 2020     | 31 March 2020   | Full remission of penalty           |
| 31 March 2020        | 30 April 2020   | Full remission of penalty           |
| 30 April 2020        | 31 May 2020   | Full remission of penalty           |

Taxpayers are encouraged to make payment online or through postal service.

The RMCD has also issued an [Announcement](#) on 29 May 2020 on the abovementioned penalty. According to the [Announcement](#), due to inevitable time and system constraints during the MCO period, penalties for late payment of taxes for taxable periods which are included in the MCO period i.e. taxable periods ended 29 February 2020, 31 March 2020 and 30 April 2020 will still be generated in the MySST as usual. However, the RMCD will remit the penalties and any Bill of Demand on penalties eligible for remission during the MCO period as soon as possible.

Members may read the above Notice and Announcement in full on the websites of the Institute ([Notice](#) and [Announcement](#)) and the RMCD ([Notice](#) and [Announcement](#)). Members are also encouraged to visit the MySST website for further updates by the RMCD on the above matters.

You may write to the Institute at [technical@ctim.org.my](mailto:technical@ctim.org.my) or [secretariat@ctim.org.my](mailto:secretariat@ctim.org.my) in respect of any suggestions, concern or comments you may have on the [Notice](#) and [Announcement](#) so that we may raise them to the RMCD.

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