

**e-CTIM TECH-IT 14/2021**

**4 February 2021**

**TO ALL MEMBERS**

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**TECHNICAL**

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**Indirect Taxation**

**RMCD – Frequently Asked Questions (FAQs) relating to tourism tax for Budget 2021**

The Royal Malaysian Customs Department (“RMCD”) has uploaded the [FAQs relating to tourism tax for Budget 2021](#) on 20 January 2021 (also available in [Bahasa Malaysia](#)) on its [MyTTX website](#).

Pursuant to the Budget 2021 proposal to expand the imposition of tourism tax to accommodation premises reserved through online platform providers effective **1 July 2021**, the FAQs have clarified notably the following:

- Tourism tax shall be charged and levied on a tourist staying at any accommodation premises through service relating to online booking accommodation premises provided by a digital platform service provider (“DPSP”).
- A DPSP means any person who provides services relating to online booking accommodation premises irrespective of whether the DPSP is in Malaysia or outside Malaysia. Example of DPSP : Airbnb, Agoda, Booking.com, Traveloka, etc.
- The tourism tax rate is fixed at RM10 per room per night irrespective of the price of the accommodation premises.
- A Malaysian national tourist who holds a MyKad card and permanent resident tourist of Malaysia who holds a MyPR card will be exempt from tourism tax.
- Existing DPSP must register within 3 months before the effective date of the Tourism Tax (Amendment) Act 2020.
- A newly start up DPSP must register within 30 days from the date the DPSP provides online booking of accommodation premises in Malaysia.
- The method of registration and form will be made available once the Tourism Tax Regulations 2021 is gazetted.
- A DPSP who fails to register with the RMCD shall be liable to a fine of up to RM30,000 or up to 1 year imprisonment or both.

Related references:

1. [2021 Budget Speech & Appendices](#) (Appendix 23) (reported in our [e-CTIM TECH-DT 77/2020](#))
2. [Tourism Tax Act 2017 \(Act 791\)](#) (reported in our [e-CTIM TECH-IT 17/2017](#))
3. [Tourism Industry Act 1992 \(Act 482\)](#)

Members may read the FAQs in full on the websites of the [Institute](#) and the [RMCD](#). Members are also encouraged to visit the MyTTx 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) in respect of any suggestions, concern or comments you may have on the said FAQs.

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