

TECHNICAL - INDIRECT TAXATION

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STRATEGIC PROGRAMME TO EMPOWER THE PEOPLE AND THE ECONOMY (PEMERKASA) - INDIRECT TAX MEASURES

The Strategic Programme to Empower the People and the Economy (PEMERKASA) was announced by the Prime Minister on 17 March 2021 and includes the following **indirect tax measures**: -

1. Excise duty exemption on locally assemble motorcycles with engine capacity of 150cc and below
Locally assembled motorcycles with an engine capacity of 150cc and below will be given 100 per cent excise duty exemption from 1 April 2021 to 31 December 2021.
2. Tourism incentives extended and entertainment duty exempted
 - a. Extending tourism tax and service tax exemptions on accommodation provided by hotel operators until 31 December 2021; and
 - b. Entertainment duty exemption on admission fees to entertainment venues such as theme parks, stage performances, sporting events and competitions as well as cinema screenings in all Federal Territories.

Reference:

- [Speech Text of the Strategic Programme to Empower the People and the Economy \(PEMERKASA\) announced by the Prime Minister on 17 March 2021 \(Bahasa Malaysia version only\)](#).

Please note that the above indirect tax measures are subject to the issuance of the relevant tax legislations. More details on the above indirect tax measures will be circulated to members via e-CTIM upon release by the relevant authorities.

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