

TECHNICAL - INDIRECT TAXATION

e-CTIM TECH-IT 29/2021

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RMCD – Service Tax Policy No. 9/2020 (Amendment No. 2) and Service Tax Policy No. 2/2019 (Amendment No. 1)

The Royal Malaysian Customs Department (“RMCD”) has uploaded the following service tax policies on its [MySST website](#):

1. [Service Tax Policy No. 9/2020 \(Amendment No. 2\) dated 18 March 2021](#)

The Prime Minister has announced under the People and Economic Strategic Empowerment Programme (PEMERKASA) on 17 March 2021, that the service tax exemption for accommodation premises will be extended until **31 December 2021**.

Accordingly, the [Service Tax Policy No. 9/2020](#) is amended as follows:

- (a) In paragraph 2, by substituting for the following paragraph: Service tax exemption is for the period from **1 March 2020 to 31 December 2021**.
- (b) Deleted paragraph 5.5. Amendment on this paragraph will be further explained in the TTx Policy 1/2021 which will be uploaded in the MyTTx Portal.
- (c) In paragraph 6.2, by substituting for the following paragraph:

For exempt services occurring on **31 December 2021 and ending 1 January 2022**, such service is exempted from service tax.

2. [Service Tax Policy No. 2/2019 \(Amendment No. 1\) dated 5 April 2021](#)

The [Service Tax Policy No. 2/2019](#) is amended by substituting paragraph 1 with the following paragraph:

“Effective from **1 September 2019 until 31 December 2021**, companies in Labuan are given exemptions from accounting and payment of service tax on services imported into Labuan”.

Members may view the above Service Tax Policies on the websites of the Institute and the RMCD. 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 in respect of any suggestions, concern or comments you may have on the above Service Tax Policies so that we may raise them to the RMCD.

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