

TECHNICAL

Indirect Taxation

SALES TAX ORDERS [P.U.(A) 104/2020 AND P.U.(A) 420/2020] AND SALES TAX REGULATIONS [P.U.(A) 418/2020]

P.U.(A)	Remarks (Please access the Orders and Regulations for the full details)
<p>104/2020</p> <p>Sales Tax (Person Exempted From Payment Of Tax) (Amendment) Order 2020</p> <p>Date Gazetted: 31 March 2020</p>	<p>This Order amends the Schedule A to the Sales Tax (Person Exempted From Payment Of Tax) (Amendment) Order 2018 [P.U.(A) 210/2018] (reported in e-CTIM TECH-IT 25/2018 dated 30 August 2018) in relation to item 16 [Any person entering Malaysia (other than designated area)] and 17 (Any person entering Malaysia from designated area).</p> <p><u>With effect from:</u> 1 April 2020</p> <p><u>Further details</u> See paragraph 2(a) - 2(b) of the amendment Order.</p> <p><u>Related references</u> Other amendments to the P.U.(A) 210/2018 by the following amendment Orders:</p> <ul style="list-style-type: none"> • Sales Tax (Person Exempted From Payment Of Tax) (Amendment) Order 2018 [P.U.(A) 239/2018] (reported in our e-CTIM TECH-IT 29/2018 dated 3 October 2018); • Sales Tax (Person Exempted From Payment Of Tax) (Amendment) (No. 2) Order 2018 [P.U.(A) 403/2018] (reported in our e-CTIM TECH-IT 1/2019 dated 7 January 2019); • Sales Tax (Person Exempted From Payment Of Tax) (Amendment) Order 2019 [P.U.(A) 93/2019] (reported in our e-CTIM TECH-IT 17/2019 dated 5 April 2019); • Sales Tax (Person Exempted From Payment Of Tax) (Amendment) (No. 2) Order 2019 [P.U.(A) 371/2019] (reported in our e-CTIM TECH-IT 2/2020 dated 17 January 2020); • Sales Tax (Person Exempted From Payment Of Tax) (Amendment) (No. 2) Order 2020 [P.U.(A) 293/2020] (reported in our e-CTIM TECH-IT 50/2020 dated 28 December 2020); and • Sales Tax (Person Exempted From Payment Of Tax) (Amendment) (No. 3) Order 2020 [P.U.(A) 367/2020] (reported in our e-CTIM TECH-IT 50/2020 dated 28 December 2020).
<p>418/2020</p> <p>Sales Tax (Amendment) (No. 2) Regulations 2020</p>	<p>These Regulations amend regulation 17 (Drawback of sales tax under Section 40 of the Sales Tax Act 2018) of the Sales Tax Regulations 2018 [P.U.(A) 203/2018] (reported in our e-CTIM TECH-IT 25/2018 dated 30 August 2018) by including the</p>

<p>Date Gazetted: 31 December 2020</p>	<p>following paragraph (h) in regulation 17(1), amongst others*:</p> <p>“where the taxable goods, which are imported into a free zone for the purpose of re-export and the re-exportation was made at same free zone of importation, are the following goods:</p> <ul style="list-style-type: none"> • Cigarettes • Tobacco products • Smoking pipes (including pipe bowls) • Electronic cigarettes and similar personal electric vaporising devices; or • Preparation of a kind used of smoking through electronic cigarettes and electric vaporising device, in forms of liquid, gel, not containing nicotine.” <p>*Amendments have also been made to regulation 17(2)(b) and 17(6). Please refer to paragraph 2(b) and 2(c) of the amendment Regulations for the details.</p> <p><u>With effect from:</u> 1 January 2021</p> <p><u>Related references</u></p> <p>Other amendments to the P.U.(A) 203/2018 by the following amendment Regulations:</p> <ul style="list-style-type: none"> • Sales Tax (Amendment) Regulations 2018 [P.U.(A) 399/2018] (reported in our e-CTIM TECH-IT 1/2019 dated 7 January 2019); • Sales Tax (Amendment) Regulations 2018 Corrigendum [P.U.(A) 230/2019] (reported in our e-CTIM TECH-IT 37/2019 dated 13 September 2019); • Sales Tax (Amendment) Regulations 2019 [P.U.(A) 390/2019]* (reported in our e-CTIM TECH-IT 4/2020 dated 23 January 2020); and • Sales Tax (Amendment) Regulations 2020 [P.U.(A) 196/2020] (reported in our e-CTIM TECH-IT 47/2020 dated 23 December 2020). <p>*Includes the previous amendments to regulation 17 (Drawback of sales tax under Section 40 of the Sales Tax Act 2018) of the P.U.(A) 203/2018.</p>
<p>420/2020</p> <p>Sales Tax (Imposition of Sales Tax In Respect of Designated Area) (Amendment) Order 2020</p> <p>Date Gazetted: 31 December 2020</p>	<p>This Order amends the Sales Tax (Imposition of Sales Tax In Respect of Designated Area) Order 2018 [P.U.(A) 206/2018] (reported in e-CTIM TECH-IT 25/2018 dated 30 August 2018) by substituting paragraph 2 with a paragraph in relation to the imposition of sales tax at a rate fixed under Section 10(2) of the Sales Tax Act 2018 on the importation of goods such as petroleum, cigarettes and tobacco products into the designated area, marble and anchovies into Langkawi, and motor vehicles into Tioman and Pangkor.</p> <p><u>With effect from:</u> 1 January 2021</p>

	<p><u>Further details</u></p> <p>See paragraph 2(a) - 2(c) of the amendment Order.</p> <p><u>Related references</u></p> <p>Other amendments to the P.U.(A) 206/2018 by the following amendment Orders:</p> <ul style="list-style-type: none">• Sales Tax (Imposition of Sales Tax In Respect of Designated Area) (Amendment) Order 2019 [P.U.(A) 92/2019] (reported in our e-CTIM TECH-IT 17/2019 dated 5 April 2019); and• Sales Tax (Imposition of Sales Tax In Respect of Designated Area) (Amendment) (No. 2) Order 2019 [P.U.(A) 391/2019] (reported in our e-CTIM TECH-IT 4/2020 dated 23 January 2020).
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Members may read the above Orders and Regulations in full at the official website of the [Attorney-General's Chambers](#).

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 Orders and Regulations so that we may raise them to the RMCD.

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