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TO ALL MEMBERS

TECHNICAL

1. [Income Tax \(Exemption\) \(No.6\) Order 2011 \[P.U. \(A\) 418/2011\]](#)

65% of the statutory income derived by any person from the provision of qualifying professional services (i.e. legal, accounting, financial or secretarial services) rendered in Labuan to a Labuan entity (as specified in the Schedule to Labuan Business Activity Tax Act 1990 [Act 445]), is exempted from income tax from year of assessment (YA) 2011 to YA 2020.

2. [Income Tax \(Exemption\) \(No.7\) Order 2011 \[P.U. \(A\) 419/2011\]](#)

Fees received by an individual non-Malaysian citizen as a director of a Labuan entity are exempted from income tax from YA 2011 to YA 2020.

3. [Income Tax \(Exemption\) \(No.8\) Order 2011 \[P.U. \(A\) 420/2011\]](#)

50% of the gross employment income received by an individual non-Malaysian citizen in a managerial capacity with a Labuan entity in Labuan, co-located office or marketing office is exempted from income tax from YA 2011 to YA 2020.

Co-located office means an office of a Labuan entity approved by the Labuan Financial Services Authority which operates in other parts of Malaysia to perform the functions assigned by the Labuan Entity.

Marketing office means a marketing office of a Labuan entity approved by the Labuan Financial Services Authority which is located in other parts of Malaysia to facilitate meetings with clients and establish contacts with potential clients except exercising trading activities on behalf of the Labuan Entity.

4. [Income Tax \(Exemption\) \(No.9\) Order 2011 \[P.U. \(A\) 421/2011\]](#)

50% of the gross housing allowance and gross Labuan Territory allowance received by an individual Malaysian citizen from exercising an employment in Labuan with a Labuan entity is exempted from income tax from YA 2011 to YA 2020.

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