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TO ALL MEMBERS

TECHNICAL

DIRECT TAX

[Income Tax \(Deduction For Freight Charges\) \(Amendment\) Rules 2013 \[P.U. \(A\) 54/2013\]](#)

The Rules exclude freight charges incurred for transportation within Malaysia and transportation within the country of final destination from double deductions by amending Rule 4 of the Income Tax (Deductions for Freight Charges) Rules 1990 [P.U. (A) 422/1990] as follows:

Rule 4: Interpretation

~~For purposes of these Rules rattan and wood-based products exclude sawn timber and veneer.~~

4. For purposes of these Rules –

“rattan and wood-based products” does not include sawn timber and veneer;

“freight charges” means sea freight charges or air freight charges incurred by a person to export rattan and wood-based products manufactured by him from any port or airport in Malaysia to a port or airport in a country of final destination outside Malaysia for the purpose of that exportation, but does not include freight charges incurred for transportation from his factory to any port or airport in Malaysia or from any port or airport in a country of final destination outside Malaysia to any destination in that country.”.

The Rules shall have effect from the year of assessment 2013.

The Rules can be viewed from the [Attorney-General's Chambers](#) website.

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