

**TECHNICAL**

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**Direct Taxation**

**Merger and Acquisition (M&A) Incentive for Small and Medium Service Providers**

The above incentive was launched by Y.B. Dato' Sri Mustapa Mohamed, Minister of International Trade and Industry (MITI) on 14 February 2014. In conjunction with the launching, the SME Corp. Malaysia held the SME Professional Services Day with briefings relating to the M&A incentives and other incentives together with updates on the developments of services sector by the Ministry and various agencies. The presentations slides may be viewed at the [SME Corp website](#).

The Guidelines for the M&A incentive were first reported in our [e-CTIM TECH No. 86/2013](#). Members may also refer to our [e-CTIM TECH No. 109/2013](#) for the relevant gazette orders. Following the re-definition of SME, as reported in our [e-CTIM TECH No.90/2013](#) and [e-CTIM TECH-DT No.4/2014](#), the Guidelines for the M&A incentive were amended accordingly.

The following 9 services sub-sectors are eligible for the above incentive, provided that the applicant is registered with respective association or regulatory/professional bodies or Ministry, and the new entity is a private limited company.

- Taxation services;
- Specialised medical services;
- Specialised dental services;
- Architectural services;
- Engineering services;
- Skills Training services;
- Courier services;
- Private Technical & Vocational Secondary Education Services; and
- Accounting services.

In the case of taxation services, the recognized associations are MIA and CTIM.

You may write to the Institute at [technical@ctim.org.my](mailto:technical@ctim.org.my) or [secretariat@ctim.org.my](mailto:secretariat@ctim.org.my) in respect of any concern or comments you may have on the above incentive and Guidelines.

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