

TECHNICAL

Indirect Taxation

[Price Control & Anti-Profiteering \(Marking of Service Charge for Hotel and Restaurant\) Order 2015 \[P.U.\(A\) 79/2015\]](#)

The Order was gazetted on 23 April 2015 and provides the marking of service charge for hotels and restaurants and comes into operation on **1 May 2015**.

The contents of the Order are summarised below.

Paragraph	Summary of Contents
Para 2 "Interpretation"	<p><b>Service charge</b> – in relation to a hotel or restaurant, means any fee or amount which is charged on a customer for the service provided by the employees of the hotel or restaurant whether in the form of a service charge, service fee, tip or otherwise howsoever described.</p> <p><b>Hotel</b> – means any premises, including inns, boarding-houses, rest-houses and lodging houses which offer lodging for hire or any other form of reward, whether or not food or beverages are also offered</p> <p><b>Restaurant</b> – means any premises where food or beverages are prepared and served to a customer.</p>
Para 3 "Marking of service charge"	<p>The owner, manager or operator of a hotel or restaurant who imposes a service charge shall "mark the service charge" using the stipulated "expression" as follows:</p> <ol style="list-style-type: none"> <li>ALL PRICES OR CHARGES ARE SUBJECT TO __% SERVICE CHARGE; or</li> <li>ALL PRICES OR CHARGES ARE INCLUSIVE OF __% SERVICE CHARGE.</li> </ol> <p>The service charge notice shall be displayed at the entrance or at any other conspicuous place in the premises and</p> <p>The expression shall be:</p> <ul style="list-style-type: none"> <li>in the national language, or the national language followed by a translation in any other language;</li> <li>handwritten or printed in capital letters which are not less than 5 centimetres in height.</li> </ul> <p>Failure to comply with the requirements under paragraph 3 is an offence which is punishable by the imposition of a fine not exceeding <b>RM100,000</b> on the owner, manager or operator of the hotel or restaurant upon conviction.</p>

Members may read the Order in full at the official website of the [Attorney-General's Chambers](#).

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