



SERVICE TAX POLICY NO 2/2019

**SERVICE TAX POLICY ON SERVICES IMPORTED INTO DESIGNATED AREA (DA)
PULAU LABUAN**

1. Effective from 1 September 2019 until 31 August 2020, companies in Labuan are given exemptions from accounting and payment of service tax on services imported into Labuan:
2. The exemption is subject to the following conditions:
 - (a) Exemption from accounting and paying service tax only on imported services that are acquired within the period of 1 September 2019 to 31 August 2020;
 - (b) Eligible companies are Labuan entities carrying out the activities listed in the Labuan Business Activity (Requirements for Labuan Business Activity) Regulations 2018, whether or not the company is registered under the Service Tax Act 2018;
 - (c) Exemptions granted are limited to taxable services listed under Group G, First Schedule, Service Tax Regulations 2018;
3. Any company in paragraph 2(b) who has accounted for and paid service tax on exempted taxable services, may apply for a refund of service tax paid in the manner prescribed under Regulation 18, Service Tax Regulations 2018.

INTERNAL TAX DIVISION
ROYAL MALAYSIAN CUSTOMS DEPARTMENT HEADQUARTERS, PUTRAJAYA