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**EXTENSION OF TAX INCENTIVES
FOR NEW 4 & 5 STAR HOTELS**

Current Position

Hotel operators undertaking new investments in 4 & 5 star hotels are given the following tax incentives:

A. Peninsular Malaysia:

i. Pioneer Status

Exemption of 70% of statutory income for a period of 5 years; OR

ii. Investment Tax Allowance

Allowance of 60% on the qualifying capital expenditure incurred within a period of 5 years. This allowance can be set-off against 70% of statutory income for each year of assessment.

The above incentives are for applications received by Malaysian Investment Development Authority (MIDA) from 8 October 2011 until 31 December 2013.

B. Sabah and Sarawak:

i. Pioneer Status

Exemption of 100% of statutory income for a period of 5 years; OR

ii. Investment Tax Allowance

Allowance of 100% on the qualifying capital expenditure incurred within a period of 5 years. This allowance can be set-off against 100% of statutory income for each year of assessment.

The above incentives are for applications received by Malaysian Investment Development Authority (MIDA) from 30 August 2008 until 31 December 2013.

Proposal

In conjunction with the Visit Malaysia Year 2014 and to provide adequate international standard accommodation especially to cater for luxury and high spending tourists as well as to increase the facilities for meeting, incentive, convention and exhibition (MICE) activities, it is proposed that Pioneer Status or Investment Tax Allowance for new investments in 4 & 5 star hotels in Peninsular Malaysia, Sabah and Sarawak be extended.

Effective Date

Applications received by Malaysian Investment Development Authority (MIDA) from 1 January 2014 to 31 December 2016.

TAX INCENTIVE FOR IMPLEMENTATION OF MINIMUM WAGES

Current Position

The minimum wages policy requires employers to pay their employees a minimum wages of RM900 per month in Peninsular Malaysia and RM800 in Sabah, Sarawak and Labuan. Under the minimum wages policy, all enterprises including professional firms are required to pay a minimum wages to local and foreign employees, except those classified as domestic workers.

Wages paid by employers to their employees are eligible for deduction for the purpose of income tax computation.

Proposal

To ensure the smooth implementation of the minimum wages policy, it is proposed that the difference between the original salary and the minimum wages paid by SMEs, cooperatives, associations and organizations employers be given further deduction.

Effective Date

The incentive is given for a period of one year from 1 January 2014 to 31 December 2014.

MONTHLY TAX DEDUCTION AS FINAL TAX

Current Position

Monthly Tax Deduction (MTD) is a mechanism to deduct monthly tax payments on employment income received by employees in the current year. Employers are responsible to remit MTD to Inland Revenue Board (IRB) every month as provided under the Income Tax (Deduction from Remuneration) Rules 1994.

Employers are required to make MTD payments after deducting personal relief, relief for spouse with no income, child relief and *zakat* payment through employee salary deductions. In addition, employees may request their employers to deduct other reliefs such as contribution to the Employee Provident Fund so that the MTD payments are equal to the total final tax payable.

Employees for whom income tax has been deducted through the MTD are required to submit tax returns to IRB on or before 30th April in the following year. The submission of tax returns burdens the employees with the need to re-compute income tax which may be equivalent to the MTD made by the employer.

Proposal

To facilitate employees whose total income tax is equivalent to the amount of MTD, it is proposed that such tax payers no longer need to submit tax returns. This would render that the amount of MTD is the final tax paid.

The proposal is only applicable to:

- i. employees who receive employment income prescribed under section 13 of the Income Tax Act 1967;
- ii. employees whose MTD are made under the Income Tax (Deduction from Remuneration) Rules 1994; and

- iii. employees serving under the same employer for a period of 12 months in a calendar year.

Effective Date

From year of assessment 2014.

TAX INCENTIVE FOR FLEXIBLE WORK ARRANGEMENTS

Current Position

A flexible and accommodative working environment is among the key factors to retain talent in the labour market. Career development and work-life balance requires employer to implement flexible work arrangements (FWA).

FWA can be implemented by the employers as follows:

- i. flexible working hours - employees can opt and arrange the number of hours to work in a day as long as they fulfill the prescribed period of working hours in a week;
- ii. telecommuting - employees can work from home or from any location other than the office;
- iii. compressed work week - employees are allowed to shorten the number of working days in a week by working longer hours in a day;
- iv. school holidays work arrangements - employees who have school going children are allowed to work from home during school holidays; and
- v. employees choice of days off - employees are given the option to plan their work schedule and off-days.

FWA not only facilitates employers to align activities of the organisation with the increasingly complex work environment including virtual work, but also helps to boost the motivation and increase the productivity of employees.

Proposal

To encourage companies to adopt and implement FWA as a best practice in human resource management, it is proposed that the expenses incurred in the training of employees, supervisors and managers as well as consultancy fees to design an appropriate FWA to be implemented by the employer be given further deduction.

The eligible expenses include costs for training in:

- i. optimizing a work- life balance;
- ii. technology orientation;
- iii. managing a flexible workforce; and
- iv. helping managers embrace flexible work alternatives.

The incentive is given for a period of 3 years of assessment and subject to the companies obtaining FWA status from Talent Corporation Malaysia Berhad.

Effective Date

For FWA status application received by Talent Corporation Malaysia Berhad from 1 January 2014 to 31 December 2016.

**TAX INCENTIVE FOR ANCHOR COMPANIES UNDER
VENDOR DEVELOPMENT PROGRAMME**

Current Position

Vendor Development Programme (VDP) has been introduced with the objective of creating vendors that are competitive and of world standards. In addition, VDP also aims to strengthen existing vendors and encourage creation of new vendors among Small and Medium Enterprises (SMEs).

VDP targets government-linked companies and multinational companies as anchors whereas local companies and SMEs as vendors. Among anchor companies that have implemented VDP are PETRONAS, PROTON, Tenaga Nasional Berhad, Telekom Malaysia Berhad, MAS and Boustead Naval Shipyard Sdn. Bhd.

A structured and comprehensive VDP requires anchor companies to incur high operating and development expenses. Such expenses do not qualify for deduction.

Proposal

The Bumiputera Economic Empowerment Agenda focuses among others to intensify Bumiputera entrepreneurship and businesses. Under this focus area, the Government urges the public and private sectors to continuously strengthen and propel VDP so that Bumiputera entrepreneurs become more competitive.

To encourage more anchor companies to develop local vendors, it is proposed that the operating expenses incurred by anchor companies in implementing VDP be given double deduction. The qualifying operating expenses include:

- i. cost of product development, R&D, innovation and quality improvement;

- ii. cost of obtaining ISO/Kaizen/5S certifications, evaluation programme and business process reengineering for the purpose of increasing vendor capabilities; and
- iii. cost of vendor skills training, capacity building, lean management system and financial management system.

The qualifying criteria for double deduction are as follows:

- i. anchor companies are required to sign a Memorandum of Understanding (MOU) with the Ministry of International Trade and Industry (MITI) under VDP;
- ii. qualifying operating expenses must be certified by MITI before the anchor companies can claim the deduction;
- iii. qualifying operating expenses are capped at RM300,000 per year; and
- iv. deduction is given for 3 years of assessment.

Effective Date

The incentive is given to anchor companies that have signed MOU with MITI from 1 January 2014 to 31 December 2016.

REVIEW OF REAL PROPERTY GAINS TAX

Current Position

Real Property Gains Tax (RPGT) is a tax imposed on gains from the disposal of all types of properties such as residential homes, commercial buildings, land and shares from real property companies.

RPGT rates are between 0% to 30% depending on the holding period. The holding period refers to the period between the date of acquisition of the property and the date of disposal of such property. The date of acquisition of the property refers to the date recorded on the stamped sales and purchase agreement or stamped Form KTN 14A or stamped memorandum of transfer. The date of disposal of the property refers to the date recorded on the stamped sales and purchase agreement or stamped Form KTN 14A or stamped memorandum of transfer.

RPGT rates have been revised as follows:

Disposal	RPGT Rates						
	Before 1.4.07			1.4.07 to 31.12.09	From 1.1.10	From 1.1.12	From 1.1.13
	Companies	Individuals (Citizens & Permanent Residents)	Individuals (Non- Citizens)				
Within 2 years	30%	30%	30%	Exempted	5%	10%	15%
In the 3rd year	20%	20%	30%		5%	5%	10%
In the 4th year	15%	15%	30%		5%	5%	10%
In the 5th year	5%	5%	30%		5%	5%	10%
In the 6th and subsequent years	5%	0%	5%		0%	0%	0%

RPGT is imposed on the net gains from the disposal of the property after deducting the acquisition price and other expenses incurred until the property is disposed. Other expenses include stamp duty, legal fee, cost of renovation, commission for sales and administrative payment. RPGT exemption is given for up to RM10,000 or 10% of the net gains, whichever is higher, from the disposal of real property by all individuals.

For citizens and permanent residents, RPGT is not imposed for the disposal of one residential property once in a lifetime. For all individuals, RPGT is also not imposed on gains from the disposal of property between husband and wife, parents and children, grandparents and grandchildren.

Proposal

To further curb speculative activities which exert pressure on property prices, it is proposed that RPGT rates on the disposal of properties and shares in real property companies be reviewed as follows:

Disposal	Proposed RPGT Rates		
	Companies	Individuals (Citizens & Permanent Residents)	Individuals (Non Citizens)
Within 3 years	30%	30%	30%
In the 4th year	20%	20%	30%
In the 5th year	15%	15%	30%
In the 6th and subsequent years	5%	0%	5%

Effective Date

For disposal of properties and shares in real property companies from 1 January 2014.

RELIEF FOR MIDDLE INCOME TAX PAYERS

Current Position

Resident individuals are subject to tax at progressive rates from 0% to 26% on their income derived in Malaysia as follows:

Chargeable Income (RM)	Tax Rate (%)
1 - 5,000	0
5,001 - 20,000	2
20,001 - 35,000	6
35,001 - 50,000	11
50,001 - 70,000	19
70,001 - 100,000	24
Exceeding 100,000	26

Resident individuals are subject to tax on their chargeable income after deducting allowable expenses from their aggregate income. The aggregate income comprises income from employment, business and other sources. Allowable expenses deducted from the aggregate income are:

- i. contributions to approved institutions; and
- ii. tax reliefs.

The amount of tax charged on the chargeable income can be further reduced by deducting 2 types of rebates as follows:

- i. RM400 for a tax payer with chargeable income up to RM35,000 and RM400 for the spouse; and
- ii. the amount equivalent to zakat paid by Muslim tax payers.

These deductions, reliefs and rebates alleviate the burden of low and lower middle income tax payers. However, some in the middle income group earning monthly income between RM4,000 to RM8,000 are still burdened with tax liabilities and the increasing costs of living.

Proposal

To increase the disposable income of the middle income group, it is proposed that a special relief of RM2,000 be given to resident tax payers earning up to RM8,000 a month (aggregate income up to RM96,000 a year). This measure will provide tax saving up to RM480 depending on the amount of tax payable after taking into consideration all the deductions.

Effective Date

For year of assessment 2013.

**EXTENSION OF ACCELERATED CAPITAL ALLOWANCE ON
INFORMATION TECHNOLOGY AND COMMUNICATION EQUIPMENT**

Current position

To encourage companies to invest in the latest information, technology and communication (ICT) equipment, expenses on the purchase and installation of qualifying ICT equipment and software for business purposes is given Accelerated Capital Allowance (ACA). This allowance can be fully claimed in the same year of assessment the equipment was purchased with an initial allowance of 20% and an annual allowance of 80%.

This incentive is effective from year of assessment 2009 until year of assessment 2013.

Proposal

In line with the evolution of technology, companies need to constantly replace and upgrade ICT equipment in order to improve operational efficiency and speed of delivery to the customer. To further encourage the use of ICT by companies, it is proposed that expenses on the purchase and installation of ICT equipment and software be given ACA with an initial allowance of 20% and an annual allowance of 80%.

Effective Date

From year of assessment 2014 until year of assessment 2016.

GOODS AND SERVICES TAX MODEL

Current Position

Consumption taxes that are being implemented in the country comprise of sales tax and service tax. Sales tax is imposed on certain locally manufactured goods and imported goods. Service tax is imposed on selected services.

Sales tax was introduced in 1972 under the Sales Tax Act 1972. Local sales tax is imposed when annual sales turnover (threshold) exceeds RM100,000. Sales tax rates are 5%, 10% and at a specific rate.

Service tax was introduced in 1975 under the Service Tax Act 1975. The rate is 6% while specific rate is charged on credit cards. Most services are not subject to a threshold except for a few type of services where the thresholds are set at RM150,000, RM300,000 and RM3 million a year.

Proposal

The current sales tax and service tax be abolished and be replaced with a consumption tax based on the value-added concept and known as Goods and Services Tax (GST).

The proposed GST model to be implemented in Malaysia is as follows:

1. Scope

- i. GST to be charged on goods and services at all levels starting from production, manufacture, wholesale and retail;
- ii. GST to be charged on goods and services supplied within the country or imported into the country;
- iii. Supplies made by the Federal and State Government departments are not within the scope of GST except for some services prescribed by the Minister of Finance;

- iv. Supplies made by the local authorities and statutory bodies in relation to regulatory and enforcement functions are not within the scope of GST; and
- v. GST charged on all business inputs such as capital assets and raw materials is known as input tax. Meanwhile, GST charged on all supplies made (sales) is known as output tax. For eligible businesses, the input tax incurred is fully recoverable from the Government through the input tax credit mechanism.

2. Zero-Rated Supply

Zero-rated supply means goods and services sold by businesses are charged GST at zero rate. For businesses, GST paid on their inputs can be claimed as credits. The goods and services subject to GST at zero rate are as in **Appendix A1**.

3. Exempt Supply

Exempt supply means goods and services sold by the businesses are exempted from GST. For businesses, GST paid on their inputs cannot be claimed as credit. The goods and services exempted from GST are as in **Appendix A2**.

4. Standard Rate

GST standard rate is 6%.

5. Threshold

The threshold for purpose of registration under GST is the annual sales value of RM500,000. This means that any business with annual sales of RM500,000 and above is required to be registered under the GST legislation. Businesses below the threshold are not required to register but may register on a voluntary basis.

Effective Date

From 1 April 2015.

GOODS AND SERVICES TAX (ZERO-RATED SUPPLY)

Foods Item

TARIFF CODE		DESCRIPTION
01.02		Live bovine animals.
0102.21	000	- Cattle:
0102.29		- - Pure-bred breeding animals:
		- - Other:
		- - - For slaughter
	110	Oxen (lembu)
	190	Other
		- - - Other:
	910	Oxen (lembu)
	990	Other
0102.31	000	- Buffalo:
0102.39		- - Pure-bred breeding animals
		- - Other
	100	- - - For slaughter
	900	- - - Other
0102.90		- Other (including Selembu/Seladang):
	100	- - Pure-bred breeding animals
		- - Other
	910	- - - For slaughter
	990	- - - Other
01.03		Live swine.
0103.10	000	- Pure-bred breeding animals
		- Others:
0103.91	000	- - Weighing less than 50kg
0103.92	000	- - Weighing 50kg or more
01.04		Live sheep and goats.
0104.10	000	- Sheep
0104.20	000	- Goats

TARIFF CODE		DESCRIPTION
01.05		Live poultry, that is to say, fowls of the species <i>Gallus domesticus</i>, ducks, geese, turkey and guinea fowls.
0105.11	100	- Weighing not more than 185g
	900	- - Fowls of the species <i>Gallus domesticus</i> Breeding fowls(day old chicks only) other
0105.13	100	- - Ducks Breeding ducklings (day old ducklings only)
	900	Other
0105.94	190	- Other :
	900	- - Fowls of the species <i>Gallus domesticus</i> : - - - weighing not more than 2,000 g - - - - Other
0105.99	900	- - - Other
	100	- - Other: ducks
02.01		Meat of bovine animals, fresh or chilled
0201.10	000	- Carcasses and half-carcasses
0201.20	000	- Other cuts with bone in
0201.30	000	- Boneless
02.02		Meat of bovine animals, frozen
0202.10	000	- Carcasses and half-carcasses
0202.20	000	- Other cuts with bone in
0202.30	000	- Boneless
02.03		Meat of swine, fresh, chilled or frozen
		- Fresh or chilled:
0203.11	000	- - Carcasses and half carcasses
0203.12	000	- - Hams, shoulders and cuts thereof, with bone in
0203.19	000	- - Other
		- Frozen:
0203.21	000	- - Carcasses and half carcasses
0203.22	000	- - Hams, shoulders and cuts thereof, with bone in
0203.29	000	- - Other
02.04		Meat of sheep or goats, fresh, chilled or frozen
0204.10	000	- Carcasses and half-carcasses of lamb, fresh or chilled
		- Other meat of sheep, fresh or chilled
0204.21	000	- - Carcasses and half carcasses
0204.22	000	- - Other cuts with bone in
0204.23	000	- - Boneless
0204.30	000	- Carcasses and half carcasses of lamb, frozen

TARIFF CODE		DESCRIPTION
0204.41	000	- Other meat of sheep, frozen
0204.42	000	-- Carcasses and half carcasses
0204.43	000	-- Other cuts with bone in
0204.50	000	-- Boneless
		- Meat of goats
02.06		Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnes, fresh, chilled or frozen
0206.10	000	- Of bovine animals, fresh or chilled
		- Of bovine animals, frozen
0206.21	000	-- Tongues
0206.22	000	-- Livers
0206.29	000	-- Other
0206.30	000	- Of swine, fresh or chilled
		- Of swine, frozen:
0206.41	000	-- Livers
0206.49	000	-- Other
0206.80	000	- Other (sheep and goats only), fresh or chilled
		- Other (sheep and goats only), frozen
02.07		Meat and edible offal, of the poultry of heading No. 01.05, fresh, chilled or frozen
		- Of fowls of the species <i>Gallus domesticus</i>
0207.11	000	-- Not cut in pieces, fresh or chilled
0207.12	000	-- Not cut in pieces, frozen
0207.13	000	-- Cut and offal, fresh or chilled
0207.14	000	-- Cut and offal, frozen
		- Of ducks
0207.41	000	-- Not cut in pieces, fresh or chilled
0207.42	000	-- Not cut in pieces, frozen
0207.43	000	-- Fatty livers, fresh or chilled
0207.44	000	-- Other, fresh or chilled
0207.45	000	-- Other, frozen
03.01		Live fish
		- Other live fish (not including fish for bait):
0301.91	000	-- Trout (<i>Salmo trutta</i> , <i>Oncorhynchus mykiss</i> , <i>Oncorhynchus clarki</i> , <i>Oncorhynchus aguabonita</i> , <i>Oncorhynchus gilae</i> , <i>Oncorhynchus apache</i> and <i>Oncorhynchus chrysogaster</i>)
0301.92	000	-- Eels (<i>Anguilla</i> spp.)
0301.93	000	-- Carp (<i>Cyprinus carpio</i> , <i>Carassius carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>hypophthalmichtys</i> spp., <i>Cirrhinus</i> spp., <i>Mylopharyngodon piceus</i>)
0301.94	000	-- Atlantic and Pacific Bluefin tunas (<i>Thunnus thynnus</i> , <i>Thunnus orientalis</i>)

TARIFF CODE		DESCRIPTION
0301.95	000	- - Southern Bluefin tunas (<i>thunnus maccoyii</i>)
0301.99	000	- - Other:
03.02		Fish, fresh or chilled, excluding fish fillets and other fish meat of heading 03.04
		- Salmonidae, excluding livers and roes:
0302.11	000	- - Trout (<i>Salmo trutta</i> , <i>Oncorhynchus mykiss</i> , <i>Oncorhynchus clarki</i> , <i>Oncorhynchus aguabonita</i> , <i>Oncorhynchus gilae</i> , <i>Oncorhynchus apache</i> and <i>Oncorhynchus chrysogaster</i>)
0302.13	000	- - Pacific salmon (<i>Oncorhynchus nerka</i> , <i>Oncorhynchus gorboscha</i> , <i>Oncorhynchus keta</i> , <i>Oncorhynchus tshawytscha</i> , <i>Oncorhynchus kisutch</i> , <i>Oncorhynchus masou</i> , and <i>Oncorhynchus rhodurus</i>), Atlantis salmon (<i>Salmon salar</i>) and Danube salmon (<i>Hucho hucho</i>)
0302.14	000	- - Atlantic salmon (<i>Salmo salar</i>) and Danube salmon (<i>Hucho hucho</i>)
0302.19	000	- - Other
		- Flat fish (<i>Pleuronectidae</i> , <i>Bothidae</i> , <i>Cynoglossidae</i> , <i>Solwidae</i> , <i>Scophthalmidae</i> and <i>Citharidae</i>), excluding livers and roes:
0302.21	000	- - Halibut (<i>Reinhardtius hippoglossoides</i> , <i>Hippoglossus hippoglossus</i> , <i>Hippoglossus stenolepis</i>)
0302.22	000	- - Plaice (<i>Pleuronectes platessa</i>)
0302.23	000	- - Sole (<i>Solea spp.</i>)
0302.24	000	- - Turbots (<i>Psetta maxima</i>)
0302.29	000	- - Other
		- Tunas (of the genus <i>Thunnus</i>), skipjack or stripe-bellied bonito (<i>Euthynnus (Katsuwonus) pelamis</i>), excluding livers and roes:
0302.31	000	- - Albacore or longfinned tunas (<i>Thunnus alalunga</i>)
0302.32	000	- - Yellowfin tunas (<i>Thunnus albacares</i>)
0302.33	000	- - Skipjack or stripe-bellied bonito
0302.34	000	- - Bigeye tunas (<i>Thunnus obesus</i>)
0302.35	000	- - Atlantic and Pacific bluefin tunas (<i>Thunnus thynnus</i> , <i>Thunnus orientalis</i>)
0302.36	000	- - Southern bluefin tunas (<i>Thunnus maccoyii</i>)
0302.39	000	- - Other
0302.40	000	- Herrings (<i>Clupea harengus</i> , <i>Clupea pallasii</i>) anchovies (<i>Engraulis spp.</i>), sardines (<i>Sardina pilchardus</i> , <i>Sardinops spp.</i>), sardinella (<i>Sardinella spp.</i>), brisling or sprats (<i>Sprattus sprattus</i>), mackerel (<i>Scomber scombrus</i> , <i>Scomber australasicus</i> , <i>Scomber japonicus</i>), jack and horse mackerel (<i>Trachurus spp.</i>) cobia (<i>Rachycentron canadum</i>) and swordfish (<i>Xiphias gladius</i>), excluding livers and roes

TARIFF CODE		DESCRIPTION
0302.41	000	- - Herrings (<i>Clupea harengus</i> , <i>Clupea pallasii</i>)
0302.42	000	- - Anchovies (<i>Engraulis spp.</i>)
0302.43	000	- - Sardines (<i>Sardina pilchardus</i> , <i>Sardinops spp.</i>), sardinella (<i>Sardinella spp.</i>), brisling or sprats (<i>Sprattus sprattus</i>)
0302.44	000	- - Mackerel (<i>Scomber scombrus</i> , <i>Scomber australasicus</i> , <i>Scomber japonicus</i>)
0302.45	000	- - Jack and Horse Mackerel (<i>Trachurus spp.</i>)
0302.46	000	- - Cobia (<i>Rachycentron canadum</i>)
0302.47	000	- - Swordfish (<i>Xiphias gladius</i>)
		- Fish of the families <i>Bregmacerotidae</i> , <i>Euclichthyidae</i> , <i>Gadidae</i> , <i>Macrouridae</i> , <i>Melanonidae</i> , <i>Merlucciidae</i> , <i>Moridae</i> and <i>Muraenolepididae</i> , excluding livers and roes:
0302.51	000	- - Cod (<i>Gadus morhua</i> , <i>Gadus ogac</i> , <i>Gadus macrocephalus</i>)
0302.52	000	- - Haddock (<i>Melanogrammus aeglefinus</i>)
0302.53	000	- - Coalfish (<i>Pollachius virens</i>)
0302.54	000	- - Hake (<i>Merluccius spp.</i> , <i>Urophycis spp.</i>)
0302.55	000	- - Alaska Pollack (<i>Theraga chalcogramma</i>)
0302.56	000	- - Blue whittings (<i>Micromesistius poutassou</i> , <i>Micromesistius australis</i>)
0302.59	000	- - Other
		- Tilapias (<i>Oreochromis spp.</i>), catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>), carp (<i>Cyprinus carpio</i> , <i>Carassius carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys spp.</i> , <i>Cirrhinus spp.</i> , <i>Mylopharyngodon piceus</i>), eels (<i>Anguilla spp.</i>), Nile perch (<i>Lates niloticus</i>) and snakeheads (<i>Channa spp.</i>), excluding livers and roes:
0302.71	000	- - Tilapias (<i>Oreochromis spp.</i>)
0302.72	000	- - Catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>)
0302.73	000	- - Carp (<i>Cyprinus carpio</i> , <i>Carassius Carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys spp.</i> , <i>Cirrhinus spp.</i> , <i>Mylophar yngodon piceus</i>)
0302.74	000	- - Eels (<i>Anguilla spp.</i>)
0302.79	000	- - Other
0302.81	000	- - Dogfish and other sharks
0302.82		- - Rays and skates (<i>Rajidae</i>)
0302.83		- - Toothfish (<i>Dissosticus spp.</i>)
0302.84		- - Seabass (<i>Dicentrarchus spp.</i>)
0302.85		- - Seabream (<i>Sparidae</i>)
0302.89	000	- - Other
0302.90	000	- Livers and roes

TARIFF CODE		DESCRIPTION
03.03		Fish, frozen, excluding fish fillets and other fish meat of heading No. 03.04
0303.11	000	- Salmonidae, excluding livers and roes: - - Sockeye salmon (red salmon) (<i>Oncorhynchus nerka</i>)
0303.12	000	- - - Other Pacific salmon (<i>Oncorhynchus nerka</i> , <i>Oncorhynchus gorboscha</i> , <i>Oncorhynchus keta</i> , <i>Oncorhynchus tshawytscha</i> , <i>Oncorhynchus kisutch</i> , <i>Oncorhynchus masou</i> , and <i>Oncorhynchus rhodurus</i>)
0303.13	000	- - Atlantic salmon (<i>Salmo salar</i>) and Danube salmon (<i>Hucho hucho</i>)
0303.14	000	- - Trout (<i>Salmo trutta</i> , <i>Oncorhynchus mykiss</i> , <i>Oncorhynchus clarki</i> , <i>Oncorhynchus aguabonita</i> , <i>Oncorhynchus gilae</i> , <i>Oncorhynchus apache</i> and <i>Oncorhynchus chrysogaster</i>)
0303.19	000	- - Other - Tilapias (<i>Oreochromis spp.</i>), catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>), carp (<i>Cyprinus carpio</i> , <i>Carassius carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys spp.</i> , <i>Cirrhinus spp.</i> , <i>Mylopharyngodon piceus</i>), eels (<i>Anguilla spp.</i>), Nile perch (<i>Lates niloticus</i>) and snakeheads (<i>Channa spp.</i>), excluding livers and roes:
0303.23	000	- - Tilapias (<i>Oreochromis spp.</i>)
0303.24	000	- - Catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>)
0303.25	000	- - Carp (<i>Cyprinus carpio</i> , <i>Carassius Carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys spp.</i> , <i>Cirrhinus spp.</i> , <i>Mylophar yngodon piceus</i>)
0303.26	000	- - Eels (<i>Anguilla spp.</i>)
0303.29	000	- - Other - Flat fish (<i>Pleuronectidae</i> , <i>Bothidae</i> , <i>Cynoglossidae</i> , <i>Solwidae</i> , <i>Scophthalmidae</i> and <i>Citharidae</i>), excluding livers and roes:
0303.31	000	- - Halibut (<i>Reinhardtius hippoglossoides</i> , <i>Hippoglossus hippoglossus</i> , <i>Hippoglossus stenolepis</i>)
0303.32	000	- - Plaice (<i>Pleuronectes platessa</i>)
0303.33	000	- - Sole (<i>Solea spp.</i>)
0303.34	000	- - Turbots (<i>Psetta maxima</i>)
0303.39	000	- - Other - Tunas (of the genus <i>Thunnus</i>), skipjack or stripe-bellied bonito (<i>Euthynnus (Katsuwonus) pelamis</i>), excluding livers and roes:
0303.41	000	- - Albacore or longfinned tunas (<i>Thunnus alalunga</i>)
0303.42	000	- - Yellowfin tunas (<i>Thunnas albacares</i>)

TARIFF CODE		DESCRIPTION
0303.43	000	- - Skipjack or stripe-bellied bonito
0303.44	000	- - Bigeye tunas (<i>Thunnus obesus</i>)
0303.45	000	- - Atlantic and Pacific bluefin tunas (<i>Thunnus thynnus</i> , <i>Thunnus orientalis</i>)
0303.46	000	- - Southern bluefin tunas (<i>Thunnus maccoyii</i>)
0303.49	000	- - Other
		- Herrings (<i>Clupea harengus</i> , <i>Clupea pallasii</i>), sardines (<i>Sardina pilchardus</i> , <i>Sardinops spp.</i>), sardinella (<i>Sardinella spp.</i>), brisling or sprats (<i>Sprattus sprattus</i>), mackerel (<i>Scomber scombrus</i> , <i>Scomber australasicus</i> , <i>Scomber japonicus</i>), jack and horse mackerel (<i>Trachurus spp.</i>) cobia (<i>Rachycentron canadum</i>) and swordfish (<i>Xiphias gladius</i>), excluding livers and roes:
0303.51	000	- - Herrings (<i>Clupea harengus</i> , <i>Clupea pallasii</i>)
0303.53	000	- - Sardines (<i>Sardina pilchardus</i> , <i>Sardinops spp.</i>), sardinella (<i>Sardinella spp.</i>), brisling or sprats (<i>Sprattus sprattus</i>)
0303.54	000	- - Mackerel (<i>Scomber scombrus</i> , <i>Scomber australasicus</i> , <i>Scomber japonicus</i>)
0303.55	000	- - Jack and Horse Mackerel (<i>Trachurus spp.</i>)
0303.56	000	- - Cobia (<i>Rachycentron canadum</i>)
0303.57	000	- - Swordfish (<i>Xiphias gladius</i>)
		- Fish of the families <i>Bregmacerotidae</i> , <i>Euclichthyidae</i> , <i>Gadidae</i> , <i>Macrouridae</i> , <i>Melanonidae</i> , <i>Merlucciidae</i> , <i>Moridae</i> and <i>Muraenolepididae</i> , excluding livers and roes:
0303.63	000	- - Cod (<i>Gadus morhua</i> , <i>Gadus ogac</i> , <i>Gadus macrocephalus</i>),
0303.64	000	- - Haddock (<i>Melanogrammus aeglefinus</i>)
0303.65	000	- - Coalfish (<i>Pollachius virens</i>)
0303.66	000	- - Hake (<i>Merluccius spp.</i> , <i>Urophycis spp.</i>)
0303.67	000	- - Alaska Pollack (<i>Theraga chalcogramma</i>)
0303.68	000	- - Blue whittings (<i>Micromesistius poutassou</i> , <i>Micromesistius australis</i>)
0303.69	000	- - Other
		- Other fish, excluding livers and roes:
0303.81	000	- - Dogfish and other sharks
0303.82	000	- - Rays and skates (<i>Rajidae</i>)
0303.83	000	- - Toothfish (<i>Dissosticus spp.</i>)
0303.84	000	- - Seabass (<i>Dicentrarchus spp.</i>)
0303.89	000	- - Other
0303.90	000	- Livers and roes

TARIFF CODE		DESCRIPTION
03.04		Fish fillets and other fish meat (whether or not minced), fresh, chilled or frozen.
		- Fresh or chilled fillets of tilapias (<i>Oreochromis spp.</i>), catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>), carp (<i>Cyprinus carpio</i> , <i>Carassius carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys spp.</i> , <i>Cirrhinus spp.</i> , <i>Mylopharyngodon piceus</i>), eels (<i>Anguilla spp.</i>), Nile perch (<i>Lates niloticus</i>) and snakeheads (<i>Channa spp.</i>):
0304.31	000	- - Tilapias (<i>Oreochromis spp.</i>)
0304.32	000	- - Catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>)
0304.33	000	- - Nile Perch (<i>Lates niloticus</i>)
0304.39	000	- - Other
		- Fresh or chilled fillets of other fish:
0304.41	000	- - Pacific salmon (<i>Oncorhynchus nerka</i> , <i>Oncorhynchus gorbuscha</i> , <i>Oncorhynchus keta</i> , <i>Oncorhynchus tshawytscha</i> , <i>Oncorhynchus kisutch</i> , <i>Oncorhynchus masou</i> and <i>Oncorhynchus rhodurus</i>), Atlantic salmon (<i>Salmo salar</i>) and Danube salmon (<i>Hucho hucho</i>)
0304.42	000	- - Trout (<i>Salmo trutta</i> , <i>Oncorhynchus mykiss</i> , <i>Oncorhynchus clarki</i> , <i>Oncorhynchus aguabonita</i> , <i>Oncorhynchus gilae</i> , <i>Oncorhynchus apache</i> and <i>Oncorhynchus chrysogaster</i>)
0304.43	000	- - Flat fish (<i>Pleuronectidae</i> , <i>Bothidae</i> , <i>Cynoglossidae</i> , <i>Soleidae</i> , <i>Scophthalmidae</i> and <i>Citharidae</i>)
0304.44	000	- - Fish of the families <i>Bregmacerotidae</i> , <i>Euclichthyidae</i> , <i>Gadidae</i> , <i>Macrouridae</i> , <i>Melanonidae</i> , <i>Merlucciidae</i> , <i>Moridae</i> and <i>Muraenolepididae</i>
0304.45	000	- - Swordfish (<i>Xiphias gladius</i>)
0304.46	000	- - Toothfish (<i>Dissostichus spp.</i>)
0304.49	000	- - Other
		- Other, fresh or chilled:
0304.51	000	- - Tilapias (<i>Oreochromis spp.</i>), catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>), carp (<i>Cyprinus carpio</i> , <i>Carassius carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys spp.</i> , <i>Cirrhinus spp.</i> , <i>Mylopharyngodon piceus</i>), eels (<i>Anguilla spp.</i>), Nile perch (<i>Lates niloticus</i>) and snakeheads (<i>Channa spp.</i>)
0304.52	000	- - Salmonidae
0304.53	000	- - Fish of the families <i>Bregmacerotidae</i> ,

TARIFF CODE		DESCRIPTION
		<i>Euclichthyidae, Gadidae, Macrouridae, Melanonidae, Merlucciidae, Moridae and Muraenolepididae</i>
0304.54	000	-- Swordfish (<i>Xiphias gladius</i>)
0304.55	000	-- Toothfish (<i>Dissostichus spp.</i>)
0304.59	000	-- Other
		- Frozen fillets of tilapias (<i>Oreochromis spp.</i>), catfish (<i>Pangasius spp., Silurus spp., Clarias spp., Ictalurus spp.</i>), carp (<i>Cyprinus carpio, Carassius carassius, Ctenopharyngodon idellus, Hypophthalmichthys spp., Cirrhinus spp., Mylopharyngodon piceus</i>), eels (<i>Anguilla spp.</i>), Nile perch (<i>Lates niloticus</i>) and snakeheads (<i>Channa spp.</i>):
0304.61	000	-- Tilapias (<i>Oreochromis spp.</i>)
0304.62	000	-- Catfish (<i>Pangasius spp., Silurus spp., Clarias spp., Ictalurus spp.</i>)
0304.63	000	-- Nile Perch (<i>Lates niloticus</i>)
0304.69	000	-- Other
		- Frozen fillets of fish of the families <i>Bregmacerotidae, Euclichthyidae, Gadidae, Macrouridae, Melanonidae, Merlucciidae, Moridae</i> and <i>Muraenolepididae</i> :
0304.71	000	-- Cod (<i>Gadus morhua, Gadus ogac, Gadus macrocephalus</i>)
0304.72	000	-- Haddock (<i>Melanogrammus aeglefinus</i>)
0304.73	000	-- Coalfish (<i>Pollachius virens</i>)
0304.74	000	-- Hake (<i>Merluccius spp., Urophycis spp.</i>)
0304.75	000	-- Alaska Pollack (<i>Theraga chalcogramma</i>)
0304.76	000	-- Other
		- Frozen fillets of other fish:
0304.81	000	-- Pacific salmon (<i>Oncorhynchus nerka, Oncorhynchus gorbuscha, Oncorhynchus keta, Oncorhynchus tshawytscha, Oncorhynchus kisutch, Oncorhynchus masou</i> and <i>Oncorhynchus rhodurus</i>), Atlantic salmon (<i>Salmo salar</i>) and Danube salmon (<i>Hucho hucho</i>)
0304.82	000	-- Trout (<i>Salmo trutta, Oncorhynchus mykiss, Oncorhynchus clarki, Oncorhynchus aguabonita, Oncorhynchus gilae, Oncorhynchus apache</i> and <i>Oncorhynchus chrysogaster</i>)
0304.83	000	-- Flat fish (<i>Pleuronectidae, Bothidae, Cynoglossidae, Soleidae, Scopthalmidae</i> and <i>Citharidae</i>)
0304.84	000	-- Swordfish (<i>Xiphias gladius</i>)
0304.85	000	-- Toothfish (<i>Dissostichus spp.</i>)
0304.86	000	-- Herrings (<i>Clupea harengus, Clupea pallasii</i>)
0304.87	000	-- Tunas (of the genus <i>Thunnus</i>), skipjack or stripe-bellied bonito (<i>Euthynnus (Katsuwonus) pelamis</i>)
0304.89	000	-- Other

TARIFF CODE		DESCRIPTION
0304.91	000	- Other , frozen:
0304.92	000	-- Swordfish (<i>Xiphias gladius</i>)
0304.93	000	-- Toothfish (<i>Dissostichus spp.</i>)
		-- Tilapias (<i>Oreochromis spp.</i>), catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>), carp (<i>Cyprinus carpio</i> , <i>Carassius carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys spp.</i> , <i>Cirrhinus spp.</i> , <i>Mylopharyngodon piceus</i>), eels (<i>Anguilla spp.</i>), Nile perch (<i>Lates niloticus</i>) and snakeheads (<i>Channa spp.</i>)
0304.94	000	-- Alaska Pollack (<i>Theragra chalcogramma</i>)
0304.95	000	-- Fish of the families <i>Bregmacerotidae</i> , <i>Euclichthyidae</i> , <i>Gadidae</i> , <i>Macrouridae</i> , <i>Melanonidae</i> , <i>Merlucciidae</i> , <i>Moridae</i> and <i>Muraenolepididae</i> , other than Alaska Pollack (<i>Theragra chalcogramma</i>)
0304.99	000	-- Other
03.05		Fish, dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process; flours, meals and pellets of fish, fit for human consumption.
0305.20	100	- Livers and roes, dried, smoked, salted or in brine:
		Of cod
		Of salmon
	220	dried, salted or in brine
		Of other marine fish
	320	dried, salted or in brine
		Of freshwater fish
	420	dried, salted or in brine
		- Fish fillets, dried, salted or in brine, but not smoked
0305.31	000	-- Tilapias (<i>Oreochromis spp.</i>), catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>), carp (<i>Cyprinus carpio</i> , <i>Carassius carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys spp.</i> , <i>Cirrhinus spp.</i> , <i>Mylopharyngodon piceus</i>), eels (<i>Anguilla spp.</i>), Nile perch (<i>Lates niloticus</i>) and snakeheads (<i>Channa spp.</i>)
0305.32	000	-- Fish of the families <i>Bregmacerotidae</i> , <i>Euclichthyidae</i> , <i>Gadidae</i> , <i>Macrouridae</i> , <i>Melanonidae</i> , <i>Merlucciidae</i> , <i>Moridae</i> and <i>Muraenolepididae</i>
0305.39		-- Other:
	100	--- Of freshwater fish
	200	--- Of marine fish
		- Other:

TARIFF CODE		DESCRIPTION
	100	Of marine fish
	200	Of freshwater fish
		- Dried fish, other than edible fish offal, whether or not salted but not smoked
0305.51	000	-- Cod (<i>Gadus morhua</i> , <i>Gadus ogac</i> , <i>Gadus macrocephalus</i>)
0305.59		-- Other
		--- Marine:
	110	Anchovies (<i>Stolephorus spp.</i>) (Ikan bilis)
	190	Other:
	400	--- freshwater
		- Fish, salted but not dried and fish in brine: other than edible fish offal,
0305.61	000	-- Herrings (<i>Clupea harengus</i> , <i>Clupea pallasii</i>)
0305.62	000	-- Cod (<i>Gadus morhua</i> , <i>Gadus ogac</i> , <i>Gadus macrocephalus</i>)
0305.63	000	-- Anchovies (<i>Engraulis spp.</i>)
0305.64	000	-- Tilapias (<i>Oreochromis spp.</i>), catfish (<i>Pangasius spp.</i> , <i>Silurus spp.</i> , <i>Clarias spp.</i> , <i>Ictalurus spp.</i>), carp (<i>Cyprinus carpio</i> , <i>Carassius carassius</i> , <i>Ctenopharyngodon idellus</i> , <i>Hypophthalmichthys spp.</i> , <i>Cirrhinus spp.</i> , <i>Mylopharyngodon piceus</i>), eels (<i>Anguilla spp.</i>), Nile perch (<i>Lates niloticus</i>) and snakeheads (<i>Channa spp.</i>)
0305.69		-- Other
	300	--- Marine:
	400	--- Freshwater
		- Fish fins, heads, tails, maws and other edible fish offal :
0305.72		-- Fish heads, tails and maws:
		--- Fish maws:
	110	Of cod
	190	Other
		--- Other
		Marine:
	911	Of cod
	919	Other
	920	Freshwater
0305.79		-- Other:
		--- Marine:
	110	Of cod
	190	Other
	200	--- Freshwater

TARIFF CODE		DESCRIPTION
03.06		Crustaceans, whether in shell or not, live, fresh, chilled, frozen, dried, salted or in brine; smoked crustaceans, whether in shell or not, whether or not cooked before or during the smoking process; crustaceans, in shell, cooked by steaming or by boiling in water, whether or not chilled, frozen, dried, salted or in brine, flours, meals and pellets of crustaceans, fit for human consumption
		- Frozen
0306.11	000	-- Rock lobster and other sea crawfish (<i>Palinurus spp.</i> , <i>Panulirus spp.</i> , <i>Janus spp.</i>)
0306.12	000	-- Lobster (<i>Homarus spp.</i>)
0306.14	000	-- Crabs
0306.15	000	-- Norway lobsters (<i>Nephrops norvegicus</i>)
0306.16	000	-- Cold-water shrimps and prawns (<i>Pandalus spp.</i> , <i>Crangon crangon</i>)
0306.17	000	-- Other shrimps and prawns
0306.19	000	-- Other, (excluding flours, meals and pellets of crustaceans, fit for human consumption)
		- Not frozen
0306.21		-- Rock lobster and other sea crawfish (<i>Palinurus spp.</i> , <i>Panulirus spp.</i> , <i>Janus spp.</i>)
		--- In airtight containers
	190	Other
	900	--- Other
0306.22		-- Lobster (<i>Homarus spp.</i>)
		--- In airtight containers
	190	Other
	900	--- Other
0306.24		-- Crabs
		--- In airtight containers
	190	Other
	900	--- Other
0306.25		-- Norway lobsters (<i>Nephrops norvegicus</i>):
		--- In airtight containers
	190	Other
	900	--- Other
0306.26		-- Cold-water shrimps and prawns (<i>Pandalus spp.</i> , <i>Crangon crangon</i>):
		--- Other:
	910	Fresh or chilled
	990	Other
0306.27		-- Other shrimps and prawns:
		--- Other:
	910	Fresh or chilled
	990	Other

TARIFF CODE		DESCRIPTION
0306.29	190 900	- - Other, (excluding flours, meals and pellets of crustaceans, fit for human consumption) - - - In airtight containers - - - Other - - - Other
03.07		Molluscs, whether in shell or not, live, fresh, chilled, frozen, dried, salted or in brine; smoked molluscs, whether in shell or not, whether or not cooked before or during the smoking process; flours, meals and pellets of molluscs, fit for human consumption.
0307.11 0307.19	000 100 200	- Oysters - - Live, fresh or chilled - - Other: Frozen Dried, salted or in brine
0307.21 0307.29	000 100 200	- Scallops, including queen scallops, of the genera <i>Pecten</i> , <i>Chlamys</i> or <i>Placopecten</i> : - - Live, fresh or chilled - - Other: Frozen Dried, salted or in brine
0307.31 0307.39	000 100 200	- Mussels (<i>Mytilus spp.</i> , <i>Perna spp.</i>) - - Live, fresh or chilled: - - Other Frozen Dried, salted or in brine
0307.41 0307.49	000 100 200	- Cuttlefish (<i>Sepia officinalis</i> , <i>Rossia macrosoma</i> , <i>Sepiola spp.</i>) and squid (<i>Ommastrephes spp.</i> , <i>Logilo spp.</i> , <i>Nototodarus spp.</i> , <i>Sepiteuthis spp.</i>) - - Live, fresh or chilled - - Other: Frozen Dried, salted or in brine
0307.51 0307.59	000 100 200	- Octopus (<i>Octopus spp.</i>) - - Live, fresh or chilled - - Other: Frozen Dried, salted or in brine
0307.60	100 200 300	- Snails, other than sea snails - - Live, fresh or chilled - - Frozen - - Dried, salted or in brine - Clams, cockles and ark shells (families <i>Arcidae</i> , <i>Arcticidae</i> , <i>Cardiidae</i> , <i>Donacidae</i> , <i>Hiatellidae</i> , <i>Mactridae</i> , <i>Mesodesmatidae</i> , <i>Myidae</i> , <i>Semelidae</i> ,

TARIFF CODE		DESCRIPTION
0307.71	000	<i>Solecurtidae, Solenidae, Tridacnidae and Veneridae</i>): -- Live, fresh or chilled -- Other: Frozen Dried, salted or in brine - Other, (excluding flours, meals and pellets, fit for human consumption)
0307.79	100	
	200	
0307.91	000	
	100	
	200	
03.08		Aquatic invertebrates other than crustaceans and molluscs, live, fresh, chilled, frozen, dried, salted or in brine; smoked aquatic invertebrates other than crustaceans and molluscs, whether or not cooked before or during the smoking process; flours, meals and pellets of aquatic invertebrates other than crustaceans and molluscs, fit for human consumption.
0308.11	000	- Sea cucumbers (<i>Stichopus japonicus, Holothurioidea</i>): -- Live, fresh or chilled -- Other: Frozen Dried, salted or in brine
0308.19	100	
	200	
0308.21	000	- Sea urchins (<i>Strongylocentrotus spp., Paracentrotus lividus, Loxechinus albus, Echinus esculentus</i>): -- Live, fresh or chilled -- Other: Frozen Dried, salted or in brine
0308.29	100	
	200	
0308.30	100	- Jellyfish (<i>Rhopilema spp.</i>): -- Live, fresh or chilled -- Frozen -- Dried, salted or in brine
	200	
	300	
0308.90	100	- Other -- Live, fresh or chilled -- Frozen -- Dried, salted or in brine
	200	
	300	

TARIFF CODE		DESCRIPTION
04.07		Birds eggs, in shell, fresh, preserved or cooked.
0407.11	000	- Fertilised eggs for incubation:
0407.19		- - Of fowls of the species <i>Gallus domesticus</i>
	100	- - Other:
		- - - Of ducks
0407.21	000	- Other fresh eggs:
		- - Of fowls of the species <i>Gallus domesticus</i>
	100	- - Other:
		- - - Of ducks
0407.90	100	- Other: (salted only)
	200	- - Of fowls of the species <i>Gallus domesticus</i>
		- - Of ducks
07.01		Potatoes, fresh or chilled
0701.90	000	- Other
0702.00	000	Tomatoes, fresh or chilled
07.03		Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled
0703.10	000	- Onions and shallots
0703.20	000	- Garlic
0703.90	000	- Leeks and other alliaceous vegetables
07.04		Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled
0704.10	000	- Cauliflowers and headed broccoli
0704.20	000	- Brussels sprouts
0704.90		- Other:
	110	- - Cabbages:
		- - - Rounds (drumhead)
	190	- - - Other
	200	- - Chinese mustard
	900	- - Other
07.05		Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium spp.</i>), fresh or chilled.
0705.11	000	- Lettuce:
0705.19	000	- - Cabbage lettuce (<i>head lettuce</i>)
		- - Other
		- Chicory:

TARIFF CODE		DESCRIPTION
0705.21	000	- - Witloof chicory (<i>Cichorium intybus var.foliosum</i>)
0705.29	000	- - Other
07.06		Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled
0706.10	000	- Carrots and turnips
0706.90	000	- Other
0707.00	000	Cucumbers and gherkins, fresh or chilled
07.08		Leguminous vegetables, shelled or unshelled, fresh or chilled
0708.10	000	- Peas (<i>Pisum sativum</i>)
0708.20		- Beans (<i>Vigna spp.</i> , <i>Phaseolus spp.</i>):
	100	- - French beans
	200	- - Long beans
	900	- - Other
0708.90	000	- Other leguminous vegetables
07.09		Other vegetables, fresh or chilled
0709.20	000	- Asparagus
0709.30	000	- Aubergines (egg-plants)
0709.40	000	- Celery other than celeriac
		- Mushrooms and truffles:
0709.51	000	- - Mushrooms of the genus <i>Agaricus</i>
0709.59	000	- - Other
0709.60		- Fruits of the genus <i>Capsicum</i> or the genus <i>Pimenta</i> :
	200	- - Chillies (fruits of genus <i>Capsicum</i>)
	900	- - Other
0709.70	000	- Spinach, New Zealand spinach and orache spinach (garden spinach)
		- Other:
0709.91	000	- - Globe artichokes
0709.92	000	- - Olives
0709.93	000	- - Pumpkins, squash and gourds (<i>Cucurbita spp.</i>)
0709.99		- - Other
	100	- - - Sweet corns
	200	- - - Lady's fingers
	900	- - - Other
07.10		Vegetables (uncooked or cooked by steaming or boiling in water), frozen
0710.10	000	- Potatoes
		- Leguminous vegetables, shelled or unshelled:

TARIFF CODE		DESCRIPTION
0710.21	000	- - Peas (<i>Pisum sativum</i>)
0710.22	000	- - Beans (<i>Vigna spp.</i> , <i>Phaseolus spp</i>)
0710.29	000	- - Other
0710.30	000	- Spinach, New Zealand spinach and orache spinach (garden spinach)
0710.40	000	- Sweet corn
0710.80	000	- Other vegetables
0710.90	000	- Mixtures of vegetables
07.11		Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption
0711.20	900	- Olives: - - Other (in brine only)
0711.40	900	- Cucumbers and gherkins: - - Other (in brine only)
0711.51	900	- Mushrooms and truffles - - Mushrooms of the genus <i>Agaricus</i> : - - - Other (in brine only)
0711.59	900	- - Other - - - Other (in brine only)
0711.90	100	- Other vegetables; mixtures of vegetables;(in brine only) - - Sweet corn - - Fruits of the genus <i>capsicum</i> or the genus <i>Pimenta</i>
	210	- - - Chillies (fruits of genus <i>Capsicum</i>)
	290	- - - Other
	990	- - Other: - - - Other
07.12		Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared.
	900	- - Other: (dried or powdered of Chillies (fruits of genus <i>Capsicum</i>) only)
07.13		Dried leguminous vegetables, shelled, whether or not skinned or split
0713.10	000	- Peas (<i>Pisum sativum</i>)
07.14		Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith

TARIFF CODE		DESCRIPTION
0714.10	100 200 900	- Manioc (cassava) -- Dried chips -- In the form of pellets -- Other
0714.20	000	- Sweet potatoes
0714.30	000	- Yams (<i>Diocorea spp.</i>)
08.13		Fruit, dried, other than that of headings 08.01 to 08.06; mixtures of nuts or dried fruits of this Chapter
0813.40	100 900	- Other fruits -- Tamarinds -- Other (Assam (genus : <i>Garcinia atroviridis</i>) only)
09.04		Pepper of the genus <i>Piper</i>; dried or crushed or ground fruits of the genus <i>Capsicum</i> or on the genus <i>Pimenta</i>
0904.12	100 200 900	- Pepper: (genus <i>Piper</i>) -- Crushed or ground: --- White --- Black --- Other
0904.22	000	- Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> -- Crushed or ground
09.06		Cinnamon and cinnamon-tree flowers
0906.11	000	- Neither crushed nor ground: -- Cinnamon (<i>Cinnamomum zeylanicum</i> Blume)
0906.19	000	-- Other
0906.20	000	- Crushed or ground
09.07		Cloves (whole fruit, cloves and stems).
0907.10	000	- Neither crushed nor ground
0907.20	000	- Crushed nor ground
09.08		Nutmeg, mace and cardamoms.
0908.11	000	- Nutmeg -- Neither crushed nor ground:
0908.12	000	-- Crushed nor ground:
0908.21	000	- Mace -- Neither crushed nor ground:
0908.22	000	-- Crushed nor ground:
0908.31	000	- Cardamoms -- Neither crushed nor ground:
0908.32	000	-- Crushed nor ground:

TARIFF CODE		DESCRIPTION
09.09		Seeds of anise, badian, fennel, coriander, cumin or caraway; juniper berries.
0909.21	000	- Seeds of coriander:
0909.22	000	-- Neither crushed nor ground:
		-- Crushed nor ground:
0909.31	000	- Seeds of cumin:
0909.32	000	-- Neither crushed nor ground:
		-- Crushed nor ground:
		- Seeds of anise, badian, caraway or fennel; juniper berries:
0909.61	000	-- Neither crushed nor ground:
0909.62	000	-- Crushed nor ground:
09.10		Ginger, saffron, turmeric (curcuma), thyme, bay leaves, curry and other spices.
		- Ginger:
0910.11	000	-- Neither crushed nor ground:
0910.12	000	-- Crushed nor ground:
0910.20	000	- Saffron
0910.30	000	- Turmeric (curcuma)
		- Other spices:
0910.91	000	-- Mixtures referred to in Note 1(b) to this Chapter
0910.99	000	-- Other
10.06		Rice
1006.10		- Rice in the husk (paddy or rough)
	100	-- Glutinous rice
	900	-- Other
1006.20		- Husked (brown) rice:
	100	-- Glutinous rice
	900	-- Other
1006.30		- Semi-milled or wholly milled rice, whether or not polished or glazed:
	100	-- Glutinous rice
	900	-- Other
1006.40		- Broken rice:
	100	-- Of a kind used for animal feed
	900	-- Other
1101.00	000	Wheat or meslin flour (including attar flour)
11.02		Cereal flours other than of wheat or meslin
1102.90	100	-- Rice flour

TARIFF CODE		DESCRIPTION
11.06		Flour, meal and powder of the dried leguminous vegetables of heading 07.13, of sago or of roots or tubers of heading 07.14 or of the products of Chapter 8.
1106.20	100 200	- Of sago or of roots or tubers of heading 07.14: -- Of sago -- Of mainoc (cassava)
15.08		Ground-nut oil and its fractions, whether or not refined, but not chemically modified.
1508.90	900	- Other: -- Other
15.11		Palm oil and its fractions, whether or not refined, but not chemically modified
1511.90	910 990	- Other: -- Other (for cooking oil only) --- In packings of a weight not exceeding 20kg --- Other
15.13		Coconut (copra), palm kernel or babassu oil and fractions thereof, whether or not refined, but not chemically modified
1513.19	000	- Coconut (copra) oil and its fractions: -- Other (for cooking oil only but excluding its solid fraction)
15.17		Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, other than edible fats or oils or their fractions of heading 15.16
1517.90	521 522 526 527 561	- Other: -- Other mixtures or preparations of vegetables fats or oils or of their fractions: --- Liquid mixtures of preparations: ---- In which ground-nut oil predominates (for cooking oil only but excluding crude oil ---- In which palm oil predominates ----- Other (for cooking oil only) ----- In packing of a net weight of less than 20kg ----- In packing of a net weight of 20kg or more ---- In which coconut oil predominates (for cooking oil only but excluding crude oil)

TARIFF CODE		DESCRIPTION
16.05		Crustaceans, molluscs and other aquatic invertebrates, prepared or preserved
1605.21	000	- Shrimps and prawns: (cencaluk only) -- Not airtight container -- Other
17.01		Cane or beet sugar and chemically pure sucrose, in solid form
1701.13	000	- Raw sugar not containing added flavouring or colouring matter: -- Cane sugar specified in Subheading Note 2 to this Chapter
1701.14	000	-- Other cane sugar
19.01		Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of heading 04.01 to 04.04, not containing cocoa or containing less than 5% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included.
1901.10	100	- Preparations for infant use, put up for retail sale: -- Of goods of headings 04.01 to 04.04: --- Not containing cocoa ---- Prepared milk in powder form
21.03		Sauces and preparations therefor; mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard
2103.90	100	- Other: -- Sauces other than those of subheadings 2103.10 000 and 2103.20 000 (budu only)
	200	-- Belachan (blachan)
2501.00	000	Salt (including table salt and denatured salt) and pure sodium chloride, whether or not in aqueous solution; or containing added anti-caking or free-flowing agents; sea water (Table salt including rock salt in any form only)

Other goods

1. Goods supplied to designated areas (Labuan, Langkawi and Tioman) from Malaysia other than designated areas.
2. Goods for use as stores on a voyage or flight to or from a place outside Malaysia or as merchandise for sale by retail to persons carried on such voyage or flight in a ship or aircraft.
3. Goods for use as ship spares allowed on a voyage or flight to or from a place outside Malaysia.
4. Supply of treated water (excluding distilled water, de-ionised water, oxygenised water and mineral water) to domestic consumers.
5. Supply of the first 200 units of electricity to a domestic household for a minimum period of twenty eight days.
6. Supply of raw materials and components made to a person who belongs in a country other than Malaysia for the treatment and processing of goods by a taxable person under the Approved Toll Manufacturer Scheme.

Services

1. Services supplied which directly benefit a person wholly in his business capacity (and not in his private or personal capacity) of any of the following description:
 - (a) Ship and aircraft handling services in the port or airport;
 - (b) Navigation services supplied in relation to a ship or aircraft supplied in a designated port or airport;
 - (c) Salvage services supplied in relation to a ship;
 - (d) Repair, maintenance and installation services supplied in relation to a ship or aircraft including parts incorporated;
 - (e) Surveying or classification services supplied in relation to a ship or aircraft; and
 - (f) Brokerage and agency services supplied in relation to ship or aircraft.

2. Notwithstanding Paragraph 13, management services supplied in relation to a ship or aircraft which directly benefit a person wholly in his business capacity (and not in his private or personal capacity).
3. Services supplied in Inland Clearance Depot or in a port or airport for the loading, unloading, handling or storage of goods by a port or airport operator carried or to be carried in a ship or aircraft.
4. Services (not being ancillary transport activities such as loading, unloading and handling) comprising the transport of passengers or goods:
 - (a) from a place outside Malaysia to another place outside Malaysia;
 - (b) from a place in Malaysia to a place outside Malaysia; or
 - (c) from a place outside Malaysia to a place in Malaysia.
5. Services (including any ancillary transport activities such as loading, unloading and handling) comprising the transport of goods from a place in Malaysia to another place in Malaysia to the extent that those services are supplied by the same supplier as part of the supply of services to which Paragraph 4(b) or (c) applies.
6. Services (excluding any ancillary transport activities) comprising the transport of passenger from a place in Malaysia to another place in Malaysia to the extent that those services are supplied by the same supplier as part of a supply of services to which paragraph 4(b) or (c) applies.
7. Services (other than the letting or hire of any means of transport) comprising the arranging of the transport of passengers or goods or the insuring or the arranging of the insurance to which any provision of Paragraphs 4, 5 and 6 applies.
8. The letting or hire of any goods for use in a place outside Malaysia throughout the period of the hiring which are:
 - (a) exported by the lessor to such a place; or
 - (b) in such a place at the time of the supply.
9. Subject to Note (ii), services supplied directly in connection with land or any improvement thereto situated outside Malaysia.
10. Subject to Note (ii), services supplied directly in connection with goods situated outside Malaysia when the services are performed.
11. Subject to Notes (ii) and (iii), services supplied:
 - (a) under a contract with a person who belongs in a country other than Malaysia; and

- (b) which directly benefit a person who belongs in a country other than Malaysia and who is outside Malaysia at the time the services are performed.
12. Notwithstanding Paragraph 11 and subject to Note (iv), services of any of the following descriptions supplied:
- (a) under a contract with a person wholly in his business capacity (and not in his private or personal capacity) and who in that capacity belongs in a country other than Malaysia; and
 - (b) which directly benefit a person wholly in his business capacity (and not in his private or personal capacity) and who in that capacity belongs in a country other than Malaysia;
 - (I) services of engineers, lawyers, accountants and other similar consultancy services, not being services which are supplied directly in connection with:
 - (A) land or any improvement thereto situated in Malaysia; or
 - (B) goods situated inside Malaysia at the time the services are performed, other than goods for export outside Malaysia.
 - (II) data processing and provision of information, not being services which are supplied directly in connection with:
 - (A) land or any improvement thereto situated in Malaysia; or
 - (B) goods situated inside Malaysia at the time the services are performed, other than goods for export outside Malaysia;
 - (III) the testing of a sample of goods taken from or forming part of:
 - (A) goods situated outside Malaysia at the time the services are performed; or
 - (B) goods for export outside Malaysia.
13. Financial services of any of the following descriptions:
- (a) the provision of insurance and reinsurance which provides coverage against any risk incurred in the making of advances or the granting of credit directly relating to the export of goods outside Malaysia;

- (b) the advising, confirmation, transfer, acceptance, collection, negotiation or indemnification against payment of any letter of credit directly relating to the export of goods outside Malaysia; or
 - (c) the collection, endorsement or discounting of any bill of exchange or the factoring of receivables directly relating to the export of goods outside Malaysia.
- 14. The provision of life insurance and life reinsurance contract where the coverage wholly relates to the risk outside Malaysia.
- 15. Services of any of the following descriptions which are performed wholly outside Malaysia:
 - (a) cultural, artistic, sporting, tourism, educational or entertainment services;
 - (b) exhibition or convention services; or
 - (c) services ancillary to, including that of organising the performance outside Malaysia of the services referred to in subparagraphs (a) and (b).
- 16. Telecommunication services by a telecommunication supplier who belongs in Malaysia to a telecommunication supplier who belongs in a country outside Malaysia.
- 17. Telecommunication services by a telecommunication supplier who belongs in Malaysia to its subscriber in relation to outbound roaming outside Malaysia, when the subscriber makes an outgoing call or receives an incoming call.
- 18. Services supplied:
 - (a) under a contract with a person who belongs in a country other than Malaysia; and
 - (b) which directly benefit a person who belongs in a country other than Malaysia,

relating to the co-location in Malaysia of computer server equipment belonging to the person referred to in subparagraph (a) or (b).
- 19. Subject to Note (viii), services comprising either or both of:
 - (a) the supply of a right to promulgate an advertisement by means of any medium of communication; and
 - (b) the promulgation of an advertisement by means of any medium of communication,

where the Director General is satisfied that the advertisement is intended to be substantially promulgated outside Malaysia.

20. Postal service performed in relation to international mail.
21. Services supplied by an approved refund agent in relation to the refund of tax under the Tourist Refund Scheme.
22. Services comprising the arranging of an inbound or outbound tour by a person who belongs in Malaysia to a person who belongs in a country other than Malaysia and is outside Malaysia when the services are performed.
23. The lease of air or sea containers.

Notes:

- i. Designated areas means Labuan, Langkawi and Tioman.
- ii. Services in Paragraphs 9, 10 and 11 of this list shall not include any services comprising either or both of:
 - (a) the supply of a right to promulgate an advertisement by any medium of communication; and
 - (b) the promulgation of an advertisement by means of any medium of communication.
- iii. Services in Paragraph 11 of this list shall not include any services which are supplied directly in connection with:
 - (a) land or any improvement thereto situated inside Malaysia;
 - (b) goods situated inside Malaysia at the time the services are performed; or
 - (c) securities or unit trusts traded in Malaysia or insurance contracts where the coverage relates to risk in Malaysia.
- iv. Services in Paragraph 12 of this list shall not include any part of a supply comprising services relating to accommodation and entertainment.
- v. In Paragraph 16 or 17 of this list, "telecommunication services" means the transmission, emission or reception, and the transfer or assignment of the right to use capacity for the transmission, emission or reception of signals, writing, images, sounds or information of any kind by wire cable, radio, optical or other electromagnetic system, or by a similar technical system.

- vi. In Paragraph 16 or 17 of this list, “telecommunication supplier” means a person whose principal activity is the supply of telecommunications services.
- vii. In Paragraph 18 of this list, co-location, in relation to computer server equipment, means the provision of a physical environment for the operation of the computer server equipment.
- viii. The services referred to in Paragraph 19 of this list shall not include any services comprising only of the promulgation of an advertisement by means of the transmission, emission or reception of signs, signals, writing, images, sounds or intelligence by any nature of wire, radio, optical or other electro-magnetic systems whether or not such signs, signals, writing, images, sounds or intelligence have been subjected to rearrangement, computation or other processes by any means in the course of their transmission, emission or reception.
- ix. In Paragraph 22 of this list, “inbound tour” and “outbound tour” has the meaning assigned to it under Section 2 of the Tourism Industry Act 1992.
- x. The air or sea containers in Paragraph 23:
 - (a) are used or to be used for transportation of goods; and
 - (b) they adhere to the following prescribed definitions:
 - I. sea containers shall conform to the standards defined by the International Organisation for Standardization, the Institution of International Container Lessors or any other equivalent organization;
 - II. air containers shall conform to the standards for Aircraft Unit Load Devices defined by the International Air Transport Association or any other equivalent organization.

GOODS AND SERVICES TAX

EXEMPT SUPPLY

Goods

1. Land used for residential or agricultural purposes or general use.
2. Building used for residential purposes.

Note:

General use means the use of land for the purpose of burial ground, playground or religious building.

Services

A. Financial services

1. The operation of any current, deposit or savings account.
2. The provision of any loan, advance or credit or other similar facility.
3. The provision of any facility of installment credit finance in a hire-purchase, conditional sale, credit sale or lease agreement where an interest or any other similar charge is disclosed separately to the recipient of the supply of goods.
4. The transfer of ownership of any note or order for payment.
5. The exchange of currency or the transfer of ownership of any derivative relating to the exchange of currency (whether effected by the exchange of bank notes, currency notes or coin, by crediting or debiting accounts or otherwise) other than the supply of a bank note or coin as a collector's item, investment article or item of numismatic interest.
6. The transfer of ownership of any right or derivative relating to an obligation to pay interest or similar charge.
7. The holding of bonds, debentures, notes or other similar instruments representing or evidencing indebtedness, whether secured or otherwise.
8. The transfer of ownership of any securities or the transfer of ownership of derivatives relating to securities.

9. The transfer of ownership of futures contract or transfer of ownership of derivatives relating to commodities except for the settlement of any futures contract by way of physical delivery of commodities.
10. The issue, holding or redemption of any unit or other similar instruments under a trust fund.
11. The provision of any life insurance or life reinsurance.
12. Any reference to the provisions under this Group shall apply, mutatis mutandis, to any reference involving transactions conducted in accordance with the principles of Syariah.

Provided that the supply of services in the above paragraphs shall not be deemed to be an exempt supply to the extent that the consideration payable for the usage or provision of facilities, arranging, broking, underwriting, or advising on any of the supplies specified therein, is any fee, commission, merchant's discount or other similar charge.

Notes:

- i. "Security" means:
 - (a) debt security in the form of bond, debentures, notes or other similar instruments representing or evidencing indebtedness; or
 - (b) equity securities in the form of shares and loan stock.
- ii. "Derivative" is a security that derives its value from the value or return of another asset or security where the underlying asset can be physical asset which includes agricultural commodities, metals and sources of energy or financial asset which includes stocks, bonds, currencies or interest.

B. Education services

1. Educational and related educational services provided to students by private pre-schools, primary and secondary schools registered under the Education Act 1996, Child Care Centre Act 1984 or State Islamic Religious School Controlled Enactments.
2. Educational and related educational services in relation to tertiary education provided to students by private higher educational institutions approved under the Universities and University Colleges Act 1971 and the Private Higher Educational Institutions Act 1996.
3. Food and drinks supplied by a canteen operator in a pre-school, primary and secondary school registered under the Education Act 1996, Child Care Centre Act 1984 or State Islamic Religious School Controlled Enactments.

Notes:

- i. "Private pre-school, primary and secondary school" means a school or an educational institution which is not a government or government-aided school or educational institution as defined under the Education Act 1996.
- ii. "Educational institution" means a school or any other place where, in the carrying on of the work of an organization or institution, persons are habitually taught, whether in one or more classes, and includes a kindergarten and a distance education centre but does not include:
 - (a) any place where the teaching is confined exclusively to the teaching of any religion; or
 - (b) any place declared by the Minister by notification in the *Gazette* not to be an educational institution for the purposes of the Education Act 1996.
- iii. Educational and related educational services in paragraphs (i) and (ii) of this list include:
 - (a) pre-school, primary and secondary education made in accordance with the curriculum as prescribed in the Education Act 1996;
 - (b) tertiary education made in accordance with the course as specified under the Universities and University Colleges Act 1971 and the Private Higher Educational Act 1996;
 - (c) curriculum and course materials;
 - (d) excursions or field trips;
 - (e) provision of food and accommodation;
 - (f) transport;
 - (g) administrative services;
 - (h) examination services; and
 - (i) supply of cleaning and maintenance, electricity, gas, air condition as part of the provision of student accommodation.

C. Childcare Services

Childcare services provided by childcare centres registered under the Child Care Centre Act 1984.

Notes:

- i. “Child care centre” has the same meaning assigned to it under section 2 of the Child Care Centre Act 1984.
- ii. “Childcare services” is a service of any form of child care on a part-time or day-to-day basis for payment or as a benefit of employment.

D. Healthcare Services

Healthcare services provided by private healthcare facilities.

Notes:

- i. Healthcare services include:
 - (a) medical, dental, nursing, midwife, allied health, pharmacy, ambulance services and any other service provided by a healthcare professional;
 - (b) any accommodation and food for the purpose of providing healthcare services;
 - (c) any service for screening, diagnose, or treatment of person suffering any disease, injury or disability of mind and body;
 - (d) any service for preventive or promoting health purposes;
 - (e) any service provided by private healthcare facilities;
 - (f) any service for curing or alleviating any abnormal condition of the human body by application of any apparatus, equipment, instrument or device or any other medical technology; and
 - (g) any related healthcare service which includes the supply of drugs and medicines, hemodialysis services and blood bank services.
- ii. “Private healthcare facilities” has the same meaning assigned to it under section 2 of the Private Healthcare Facilities and Services Act 1998.
- iii. Healthcare professional includes:
 - (a) a medical practitioner, dental practitioner, pharmacist, clinical psychologist, nurse, midwife, medical assistant, physiotherapist, occupational therapist and other allied healthcare professional and any other person involved in the giving of medical, health, dental, pharmaceutical or any other healthcare services under the jurisdiction of the Ministry of Health; and

- (b) Optometrist registered under the Optical Act 1991.

E. Residential Land or Building, Agriculture Land and General Use Land

1. The grant of any right over land or of any licence to occupy land or building for residential purposes.
2. The grant of any right over land or licence to occupy land for agricultural purposes.
3. The grant of any right over land or licence to occupy land intended for general use.
4. The supply of services to owners in low and low medium cost housing held under strata title by management corporation and joint management bodies.

Notes:

- i. General use means the use of land for the purpose of burial ground, playground or religious building.
- ii. Low and low medium cost housing means low and low medium cost housing as referred to in the National Housing Standard for Low Cost or Low Medium Cost Housing, Construction Industry Development Board.

F. Accommodation

The grant of any right or of any license to occupy hotels, inns, boarding houses, serviced apartments, shop apartments or similar establishments with control management under a contract for a duration of twenty eight days or more, used predominantly as place of residence or abode of any individual.

Notes:

- i. “Serviced apartment” means any building under a commercial title but is occupied or is intended to be occupied as a residence.
- ii. “Shop apartment” means an apartment located above a commercial premise under a commercial title and is occupied or is intended to be occupied as a residence.

G. Transport Services

1. The transport of passengers:
 - (a) in any vehicle licensed by the Land Public Transport Commission or Commercial Vehicle Licensing Board as:
 - (i) bus excluding chartered bus;
 - (ii) taxi excluding airport taxi, luxury taxi and hire and drive car;
 - (b) by a railway company licensed under Railways Act 1991; and
 - (c) in any ship or vessel licensed as passenger craft under the Merchant Shipping Ordinance 1952 and the Merchant Shipping Ordinance 1960 (for Sabah and Sarawak) but excluding ship or vessel for the purpose of recreation or leisure.

H. Tolled Highway or Bridge

The grant of any right to use a tolled highway or bridge.

I. Funeral, Burial and Cremation Services

1. Any supply of services in a package in connection with ceremonial and tribute, disposition of the remains or memorialisation.
2. Pre-need funeral plan program.

Notes:

Pre-need funeral plan program is the reservation of columbarium or burial plot.

J. Supplies made by Societies and Similar Organisations

The supply of certain goods or services to its members, where the benefit of such supply is substantive, which relates to its aims and available without payment other than a membership subscription by any of the following society or similar organisation registered under any written law:

- (a) a trade union or other organisation of persons having as its main object the negotiation on behalf of its members of the terms and conditions of their employment;

- (b) a professional association, membership of which is wholly or mainly restricted to individuals who have or are seeking a qualification appropriate to the practice of the profession concerned;
- (c) an association, the primary purpose of which is the advancement of a particular branch of knowledge, or the fostering of professional expertise, connected with the past or present professions or employment of its members; or
- (d) a trade association, the primary purpose of which is to safeguard or promote the businesses of its members.

Notes:

- i. The above item excludes any right of admission to any premises, event or performance, to which non-members are admitted for a consideration.
- ii. "Trade union" has the meaning assigned to it by section 2 of the Trade Union Act, 1959.
- iii. "Trade association" has the meaning assigned to it by section 53(3) of the Income Tax Act, 1967.
- iv. "Membership subscription" shall include an affiliation fee or similar levy for societies and similar organisations, the membership of which consists wholly or mainly of constituent or affiliated associations.
- v. Paragraph (c) does not apply unless the association restricts its membership wholly or mainly to individuals whose present or previous professions or employment are directly connected with the purposes of the association.

REVIEW OF INDIVIDUAL INCOME TAX

Current Position

Income tax structure for resident individuals is as follows:

Chargeable Income (RM)	Tax Rate (%)
1 - 5,000	0
5,001 - 20,000	2
20,001 - 35,000	6
35,001 - 50,000	11
50,001 - 70,000	19
70,001 - 100,000	24
Exceeding 100,000	26

Non-resident individuals are subject to income tax at a fixed rate of 26%.

Proposal

To increase the disposable income and in line with GST implementation, it is proposed that the income tax rates for resident individuals be reduced by 1 percentage point to 3 percentage points as follows:

Chargeable Income (RM)	Current Tax Rate (%)	Proposed Tax Rate (%)	Reduction (%)
1 – 5,000	0	0	-
5,001 – 20,000	2	1	1
20,001 – 35,000	6	5	1
35,001 – 50,000	11	10	1
50,001 – 70,000	19	16	3
70,001 – 100,000	24	21	3
100,001 – 250,000	26	24	2
250,001 – 400,000	26	24.5	1.5
Exceeding 400,000	26	25	1

Non-resident individuals income tax rate is reduced by 1 percentage point from 26% to 25%.

To enhance the tax structure to be more competitive and more progressive as well as to retain and attract talents into the country, it is proposed that the chargeable income band exceeding RM100,000 be restructured as follows:

Current	Proposed
Chargeable Income (RM)	Chargeable Income (RM)
Exceeding 100,000	100,001 – 250,000
	250,001 – 400,000
	Exceeding 400,000

The above measure resulted in tax savings as follows:

Chargeable Income (RM)	Current			Proposed			Tax Savings	
	Tax Rate (%)	Tax Without Rebate (RM)	Tax Paid (RM)	Tax Rate (%)	Tax Without Rebate (RM)	Tax Paid (RM)	(RM)	(%)
1 – 5,000	0	0		0	0			
		0	* 0		0	* 0	-	-
5,001 – 20,000	2	300		1	150			
		300	* 0		150	* 0	-	-
20,001 – 35,000	6	900		5	750			
		1,200	* 800		900	* 500	300	37.5
35,001 – 50,000	11	1,650		10	1,500			
		2,850	2,850		2,400	2,400	450	15.8
50,001 – 70,000	19	3,800		16	3,200			
		6,650	6,650		5,600	5,600	1,050	15.8
70,001 – 100,000	24	7,200		21	6,300			
		13,850	13,850		11,900	11,900	1,950	14.1
100,001 – 250,000	26	39,000		24	36,000			
		52,850	52,850		47,900	47,900	4,950	9.4
250,001 – 400,000	26	39,000		24.5	36,750			
		91,850	91,850		84,650	84,650	7,200	7.8
Exceeding 400,000	26			25				

* after RM400 rebate

Effective Date

From year of assessment 2015.

REVIEW OF CORPORATE INCOME TAX

Current Position

Income tax at a fixed rate of 25% is imposed on a company and the following entities:

- i. a trust body;
- ii. an executor of an estate of an individual who was domiciled outside Malaysia at the time of his death;
- iii. a receiver appointed by the court; and
- iv. a limited liability partnership.

A company with paid-up capital of up to RM2.5 million is subject to the following tax rates:

- i. 20% on chargeable income up to RM500,000; and
- ii. 25% on the remaining chargeable income.

Proposal

To support the smooth implementation of GST and to further enhance the competitiveness of the nation, it is proposed that the tax rate for a company be reduced by 1 percentage point to 24%. This rate also applies to the following entities:

- i. a trust body;
- ii. an executor of an estate of an individual who was domiciled outside Malaysia at the time of his death;
- iii. a receiver appointed by the court; and
- iv. a limited liability partnership.

For a company with paid-up capital of up to RM2.5 million, the rates be reduced by 1 percentage point as follows:

- i. 19% on chargeable income up to RM500,000; and
- ii. 24% on the remaining chargeable income.

Effective Date

From year of assessment 2016.

REVIEW OF CO-OPERATIVE INCOME TAX

Current Position

Income tax structure for co-operative is as follows:

Chargeable Income (RM)	Tax Rate (%)
1 – 30,000	0
30,001 – 60,000	5
60,001 – 100,000	10
100,001 – 150,000	15
150,001 – 250,000	20
250,001 – 500,000	22
500,001 – 750,000	24
Exceeding 750,000	25

Co-operatives are exempted from income tax for a period of 5 years from the date of registration. After this period, co-operatives are still exempted from income tax if their Members' Fund is less than RM750,000. Dividends received by co-operative members are exempted from tax.

Proposal

In line with GST implementation and to further drive the growth of co-operative, it is proposed that co-operative income tax rates be reduced by 1 percentage point to 2 percentage points for chargeable income exceeding RM150,000.

A comparison between current and proposed co-operative income tax rates is as follows:

Chargeable Income (RM)	Current Tax Rate (%)	Proposed Tax Rate (%)
1 – 30,000	0	0
30,001 – 60,000	5	5
60,001 – 100,000	10	10
100,001 – 150,000	15	15
150,001 – 250,000	20	18
250,001 – 500,000	22	21
500,001 – 750,000	24	23
Exceeding 750,000	25	24

The above measure resulted in tax savings as follows:

Chargeable Income (RM)	Current		Proposed		Tax Savings	
	Tax Rate (%)	Tax Paid (RM)	Tax Rate (%)	Tax Paid (RM)	(RM)	(%)
1 – 30,000	0	0	0	0		
		0		0	-	-
30,001 – 60,000	5	1,500	5	1,500		
		1,500		1,500	-	-
60,001 – 100,000	10	4,000	10	4,000		
		5,500		5,500	-	-
100,001 – 150,000	15	7,500	15	7,500		
		13,000		13,000	-	-
150,001 – 250,000	20	20,000	18	18,000		
		33,000		31,000	2,000	6.1
250,001 – 500,000	22	55,000	21	52,500		
		88,000		83,500	4,500	5.1
500,001 – 750,000	24	60,000	23	57,500		
		148,000		141,000	7,000	4.7
Exceeding 750,000	25		24			

Effective Date

From year of assessment 2015.

**TAX INCENTIVE PACKAGE IN LINE WITH
GST IMPLEMENTATION**

Current Position

A. Secretarial fee and tax filing fee:

Secretarial fee and tax filing fee are expenses borne by taxpayers to comply with legal requirements in carrying on a business. These fees are not deductible expenses for the purpose of computing income tax since they are not incurred directly in the production of business income.

B. Expenses for the purchase of information and communication technology (ICT) equipment and software:

Expenses for the purchase of ICT equipment and software are eligible for Accelerated Capital Allowance (ACA). The allowance is fully deductible in the year of purchase with initial allowance of 20% and annual allowance of 80%.

The incentive is effective from year of assessment 2009 until year of assessment 2013.

C. Expenses relating to training in accounting and ICT:

Expenses relating to training of employees in accounting and ICT are deductible under Section 33(1) of the Income Tax Act 1967.

Proposal

To support the smooth implementation of GST, enhance tax compliance and reduce the cost of doing business, it is proposed that the following incentives be given:

A. Secretarial fee and tax filing fee:

Secretarial fee and filing fee be given the following deductions:

- i. secretarial fee - up to RM5,000.
- ii. tax filing fee - up to RM10,000.

B. Expenses for the purchase of ICT equipment and software:

Expenses for the purchase of ICT equipment and software be given ACA.

C. Expenses for GST related training in accounting and ICT:

Expenses for GST related training of employees in accounting and ICT be given further deduction.

Effective Date

Proposal A : For year of assessment 2015 and subsequent years of assessment.

Proposal B : For year of assessment 2014, 2015 and 2016.

Proposal C : For year of assessment 2014 and 2015.