

Customs Tax Incentives (Exemption) under Section 14.2, Customs Act 1967 and related SST rules

**April 9, 2026 (Thursday)****9:00 AM - 5:00 PM****zoom**

INTRODUCTION

The Malaysian government provides various tax incentives for the private sectors to do business in Malaysia. In particular, the manufacturing sector is granted customs tax exemptions as provided under the Customs Act 1967 & for sales tax under Schedule A, B, C under the Sales Tax (Person exempted from Payment of Tax) Order 2018 on raw materials, components, packing and packaging materials, manufacturing aids, cleanroom equipment, machineries, equipment and spare parts. These items can be imported or purchased locally. These tax incentives would in turn help to lower cost of production and make the products and services more competitive in the global economy. This programme caters primarily for SST registered person (Sales Tax) and non-SST person (manufacturer who manufactures sales tax exempt goods). Effective from January 1, 2024, manufacturing aids and cleanroom equipment are again given sales tax exemption for sales tax registered manufacturers under C1 and C3 Sales tax exempt manufacturers under B4. In addition, on January 1, 2024, the B1, B2 and B3 manufacturers are given sales tax exemption on all goods used in production.

COURSE OBJECTIVES

Upon completion of this programme, participants will be able to:

- Understand the correct procedures, guidelines and customs regulations with regards to Customs duties exemption on raw materials and components, etc;
- Know how to use the self-declaration mechanism to apply for sales tax exemption on purchase of machinery, equipment and spare parts used in the manufacturing process.
- Acquire knowledge on imposition and exemption of sales tax on sale by a sales tax registered person to PCA/LMW/FIZ/DA/Oversea;
- Gain knowledge on how to apply approved Major Exporter Scheme (AMES) for sales tax exemption on purchase/import of raw materials, components, packing and packaging materials used by manufacturers of sales tax exempt goods.
- Understand online application on sales tax exemption under schedule A, B & C;

SPEAKER PROFILE

Mr. Gor Kin Siang

Mr. Gor holds a Bachelor of Economics (Hons) from University Malaya. He was formerly with the Royal Customs Department for 31 years, retiring as a Deputy Director of Customs in 2007 with extensive experience in import, export, sales tax, service tax, excise, petroleum, finance and industry. Mr. Gor has conducted many Customs training programmes for FMM Perak and receiving positive feedbacks from participants. He also lectures for the Malacca Customs Academy.

TARGET GROUP

Importers, exporters, traders, manufacturers of sales tax exempt goods, managers, accountants, shipping department personnel, logistics managers and executives.

COURSE OUTLINE

8.30AM Registration via online**9.00AM Why apply for tax incentives?**

- Helps to lower cost of production and increase competitive edge.

Person/persons qualified for exemption

- Registered sales tax manufacturers (RSTM) who cater more for domestic Markets;
- Sales tax exempt manufacturers under Schedule B, Sales Tax (Persons Exempted from Payment of Tax) Order 2018

Criteria for tax exemption for manufacturing sector:

- Raw materials, components, machinery, equipment and spare parts used directly in the production.
- **MOF'S latest policy** for application on import duty exemption for iron and steel for the domestic market.

10.30AM Morning Tea break**10.45AM Type of tax exemption**

- Effective April 1, 2015, only import duty exemption on raw materials and components is granted by the Ministry of Finance and MIDA.
- Effective May 2, 2014, import duty exemption on machineries and equipments are now approved by the Customs department with the condition that a letter of support from MIDA is attached.
- Selected manufacturers of iron and steel products who are licensed under the Industrial Coordination Act 1975 are entitled for the import duty exemption on importation of raw materials as listed in item 99, 105 and 106, Customs Duties (Exemption) order 2017.

Level of exemption, quantity approved, extension period and addition of quantity

- On January 1, 2024, prior submitting applications for Import Duty and Sales Tax Exemption on raw materials and components (Iron and Steel – HS Code 7201-7316) and for raw materials under HS Tariff Codes 7208, 7209, 7210, 7211, 7212, 7213, 7214, 7304, 7305 and 7306, applicants are required to secure a Confirmation on Local Availability (CLA).
- **Application procedure of the duty exemption**
- **Agencies involved in duty exemption**
- **Types of manufacturers qualify for tax exemption**

1.00PM Lunch Break**2.00PM**

- **Role of Customs in enforcing provisions of the law under Customs Act 1967 & Sales Tax Act 2018**
- **Responsibilities of a person**

-Submission of quarterly return on raw material, component, finished goods and inventory list for machinery and equipment.

- **Impact of Sales tax on Sale:**

- New Customs Policy from January 1, 2024 onwards.

Types of goods under C1 and C3 exemption:

- a) Raw materials and components, packing and packaging materials, manufacturing aid and cleanroom equipment.

Types of goods under B1,B2,B3 and B4 exemption:

- a) B1,B2,B3 :All goods used in production
- b) B4: Raw materials, components, manufacturing aids and equipment.

- **Sales tax exemption on sub-contract work**

3.30PM Afternoon Tea Break**3.45PM**

- Temporary Import on machineries and equipment and avoidance of tax
- Addition of premise/goods/change of address
- Re-import and Re-export
- Wind up; receivership; liquidation
- Fire, Theft and Loss
- Non-Compliance of conditions
- Penalties for non compliance
- Remission of customs duty and Sales Tax
- Customs Appeal Tribunal

4.30PM Question & Answer Session**5.00PM End of Programme**



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FEES: FMM Member: RM 648/pax
Non-Member : RM 756/pax

- Fees inclusive of Service Tax at 8%.
- Inclusive of Downloadable Notes and Certificate of Attendance

HRD CORP CLAIMABLE COURSE DETAILS

- **Training Provider : 007907X_PERAK**
- **HRD Corp Programme No: 10001660431**
Employers **HRDC Grant Approval** MUST be forwarded to FMM Perak **at least 3 days** before the Event date.

REGISTRATION

Upon **Faxing/Mailing** the completed **Registration Form** to FMM Perak, you are **deemed** to have read and **accepted** the terms and conditions. The Event would also be **deemed as confirmed** unless informed otherwise.

CANCELLATION

- Must be in Writing with Reasons 7 days before the Webinar –
- **No payment charged** 3 – 6 days before the Webinar – **50% payment charged** < 3 days before the Webinar – **Full payment charged** Participants who did not turn up will be **charged full payment**. Replacements can be accepted at no additional cost.

DISCLAIMER

FMM Perak reserves the right to change the facilitator, date and to vary/cancel the Webinar should unavoidable circumstances arise.

PAYMENT

- Cheques made in favour of “**FEDERATION OF MALAYSIAN MANUFACTURING**”
- For **HRD Corp Claimable Courses**, an **Attendance of 100%** is a **MUST**, in any case, **employers will be billed in full**.
- FMM SST Registration No : W10-1901-32000108
- FMM TIN No : C25703742100

ENQUIRIES

FMM Perak	Ms. Kar Yan (karyan@fmm.org.my)
FMM Eastern	Ms. Sherry (sherry@fmm.org.my)
FMM Kedah	Ms. Wan Hui (wanhui@fmm.org.my)
FMM Malacca	Ms. Thivya (thivya@fmm.org.my)
FMM N. Sembilan	Ms. Rozainiza (rozainiza@fmm.org.my)
FMM Sarawak	Ms. Siti Aina Najiha (siti_aina@fmm.org.my)
FMM Penang	Ms. Edya (herdawaty@fmm.org.my)
FMM Selangor & KL	Mr. Farrez Teh (farrez@fmm.org.my)
FMM Sabah	Ms. Roei (yea_n_roeie@fmm.org.my)
FMM Johor	Ms. Azelawati (nor_azelawati@fmm.org.my)
	Ms. Florisa (florisa@fmm.org.my)
	Ms Nelly (nelly@fmm.org.my)
	Ms. Zuraidah (zuraidahnur@fmm.org.my)
	Ms. Noraziah (norazian@fmm.org.my)

CLOSING DATE: 02/04/2026

REGISTRATION FORM

FMM Perak

(Attn: Ms. Kar Yan / Ms. Sherry)

Email: karyan@fmm.org.my; sherry@fmm.org.my

Tel No : 05-548 8660

Fax No : 05-548 8221

Please register the following participant(s):

PARTICIPANT 1

Name :

IC No :

Designation :

H/P No :

(Please provide mobile number)

Email :

PARTICIPANT 2

Name :

IC No :

Designation :

H/P No :

(Please provide mobile number)

Email :

(Please attach a separate list if space is insufficient)

PARTICIPANT 3

Name :

IC No :

Designation :

H/P No :

(Please provide mobile number)

Email :

Submitted by:

NAME :

DESIGNATION:

COMPANY :

EMAIL :

MEMBERSHIP NO. :

TELEPHONE NO. :

FAX NO. :

ADDRESS :

We hereby confirm that : (Please tick in the appropriate box)

We will be **claiming** under **HRD Corp Claimable Courses (SBL-KHAS) Scheme** and **full payment would be made to FMM in the event that no disbursement from HRDCorp under any circumstances.**

We will be **NOT be claiming** under **HRD Corp Claimable Courses (SBL-KHAS) Scheme**. Enclosed cheque/bank draft No _____ / bank in slip being payment for ___ participant(s) made in favour of FEDERATION OF MALAYSIAN MANUFACTURERS.

TIN Number: _____ SST No: _____