

SERVICE TAX (DIGITAL SERVICE) REGULATIONS 2019

PU (A) 269
30 September 2019

IN exercise of the powers conferred by paragraph 91(2)(m) of the Service Tax Act 2018 [Act 807], the Minister makes the following regulations:

PART I - PRELIMINARY

Citation and commencement

- 1(1) These regulations may be cited as the **Service Tax (Digital Service) Regulations 2019**.
- 1(2) Part II and V, and regulations 17 and 18 of these Regulations come into operation on 1 October 2019.
- 1(3) Part III, IV and VI except for regulations 17 and 18 of these Regulations come into operation on 1 January 2020.

PART II - REGISTRATION

Total value of digital service

- 2 Any foreign service provider who provides any digital service to consumer with the total value of digital services exceeding five hundred thousand ringgit shall be liable to be registered.

Application for registration

- 3(1) Any foreign service provider who provides digital service to a consumer who is liable to be registered under subsection 56B(2) of the Act shall apply for registration using Form DST-01.
- 3(2) Every application for registration under subregulation (1) shall be submitted to the Director General through electronic service.

Notification of registration

- 4 Any foreign service provider whose application was approved for registration shall be notified in writing by the Director General and assigned with a registration number.

Notification of changes on particulars of foreign registered person

- 5(1) Any foreign registered person shall immediately notify the senior officer of service tax in writing when there is any change—
 - a. in the name of the business;
 - b. in the address of any place of business;
 - c. in the status of the business;
 - d. of the authorized person or details of authorized person; or
 - e. in the types of digital services.
- 5(2) The senior officer of service tax shall record the changes so notified.
- 5(3) Any foreign registered person who contravenes subregulation (1), commits an offence.

PART III - INVOICE

Contents of invoice or document

- 6(1) Every foreign registered person who issues an invoice or document in relation to provision of digital service to consumer shall state thereon the following particulars:
- a. the date of the invoice;
 - b. the registration number of the foreign registered person;
 - c. a description sufficient to identify the digital service provided; and
 - d. the total amount payable excluding service tax, the rate of service tax and the total service tax chargeable shown as a separate amount.
- 6(2) Notwithstanding subregulation (1), the Director General may, upon request in writing by any foreign registered person and subject to such conditions as the Director General deems fit, allow any particulars specified under subregulation (1) not to be stated in an invoice or document issued by the foreign registered person.

PART IV - RETURN, PAYMENT AND REFUND

Manner of furnishing return

- 7(1) Every foreign registered person shall furnish a return for each taxable period as required under subsection 56H(4) of the Act in Form DST-02.
- 7(2) All particulars as requested in Form DST-02 shall be furnished by the foreign registered person and shall contain a certification that such return is true and complete.
- 7(3) A return made under this Part shall be furnished to the Director General through electronic service and shall be deemed to be furnished when such return has been received by the Director General through the electronic service.
- 7(4) Any foreign registered person who contravenes subregulations (1) or (2) commits an offence.

Correction of errors

- 8 If any foreign registered person makes an error in any return furnished under the Act, the foreign registered person may correct such error in the manner as the Director General may determine.

Payment of service tax or penalty

- 9(1) Payment of service tax or penalty payable under the Act shall be made to the Director General through electronic banking or any manner as the Director General may determine.
- 9(2) The service tax or penalty payable shall be deemed to be paid when the payment is received by the Director General and is credited to the Director General.
- 9(3) Notwithstanding subregulation (2), no penalty shall be imposed if payment of service tax is proved to have been made by the foreign registered person before the date specified under section 56I.
- 9(5) Any payment of service tax or penalty payable received and credited under subregulation (2) shall not take into account the foreign exchange rate at the time it is received by the Director General and credited to the Director General.
- 9(6) The total amount of service tax payable shall be declared in Ringgit Malaysia in the return.

Manner of claiming refund under paragraph 38(1)(a) or subsection 34(6) of the Act

- 10(1) Any person who is eligible to claim for refund under under paragraph 38(1)(a) or subsection 34(6) of the Act shall apply to the Director General in the form and manner as he may determine.
- 10(2) A separate application shall be made in respect of each claim for which the refund is claimed.
- 10(3) The Director General may require the person who makes a claim under subregulation (1) to produce documents and information for the purpose of verifying such claim.

PART V - ELECTRONIC SERVICES

Interpretation

- 11 In this Part, “authentication code” means an identification or identifying code, password or any other authentication method or procedure which is assigned by the Director General to any person for the purpose of identifying and authenticating the access to and use of the electronic service by such person.

Use of electronic service

- 12(1) The Director General may assign to any person—

- a. an authentication code; and
- b. an account with the electronic service,

in order to use the electronic service provided under section 87 of the Act subject to any terms and conditions as the Director General may determine.

- 12(2) Any person assigned by the Director General an authentication code under subregulation (1) shall be a registered user and he—

- a. shall acknowledge receipt of the authentication code;
- b. shall ensure that his authentication code is kept confidential; and
- c. shall not disclose his authentication code to any unauthorized person.

- 12(3) An electronic notice made and transmitted under the Act by a registered user shall be deemed to have satisfied the requirement for filing, lodgement or submission if such notice is transmitted to the Director General in such manner as determined under this Part.

Manner in using electronic services

- 13(1) The Director General or any officer of service tax authorized by the Director General may serve any notice on a registered user by transmitting such notice through electronic service to the account of the registered user.

- 13(2) Where a document that is required to be stamped, signed or sealed under these Regulations is electronically filed, lodged or transmitted by way of electronic services, the requirement for attestation of the stamp, signature or seal does not apply.

- 13(3) Any person who is authorized by a registered user may make and transmit any electronic notice on behalf of the registered user through the electronic service.

- 13(4) Where any electronic notice is made and transmitted on behalf of any registered user under subregulation (3), the notice shall be deemed to have been made and transmitted with the authority of the registered user and such registered user shall be deemed to be cognizant of all matters therein.
- 13(5) Where an electronic notice is transmitted to the Director General using the authentication code assigned to a registered user—
- a. with or without the authority of the registered user; and
 - b. before notification to the Director General for cancellation of the authentication code,
- that notice shall, for the purposes of the Act, be presumed to be made by the registered user unless the registered user is able to adduce evidence to the contrary.

Error in using electronic services

- 14(1) Where an error is made in any electronic notice by the registered user under this regulation, the registered user shall rectify it by way of electronic service within such time as the Director General may determine and subject to any conditions as the Director General may impose.
- 14(2) Notwithstanding subregulation (1), the Director General may direct or allow a registered user to rectify any electronic notice made and transmitted by the registered user under this regulation in such manner and within such time as the Director General may require.
- 14(3) The Director General may, for the purpose of the electronic service, approve the use of any symbol, code, abbreviation or notation to represent any particulars or information required under the Act.
- 14(4) Where an electronic notice is made and transmitted by the registered user to the Director General under the Act which does not comply with any requirement of this Part, the Director General or any officer of service tax authorized by the Director General, may serve a notice to the registered user indicating the non-compliance of the requirement, and such electronic notice sent by the registered user shall not be deemed to have been made and transmitted to the Director General by such registered user.

Termination of the provision of electronic services to the registered user

- 15 The Director General may, at any time by notice to the registered user, terminate the provision of the electronic service to the registered user if the registered user—
- a. fails to comply with any terms and conditions imposed by the Director General;
 - b. contravenes any regulation in this Part; or
 - c. notifies the Director General for the cancellation of authentication code and electronic service account assigned to him.

PART VI - MISCELLANEOUS

Hours for submission of return and payment

- 16(1) For the purposes of receiving returns and payments of service tax or penalty payable through electronic banking, the ordinary hours shall be from 7.30 a.m. to 11.30 p.m. Malaysian standard time (UTC/GMT + 8 hours) on any day of the week.
- 16(2) Where any returns and payments of service tax or penalty payable was received beyond the ordinary hours, hours of receiving such returns and payments of service tax or penalty payable shall be deemed to be received on the next following day.


General penalty

- 17 Any person who commits an offence under these Regulations shall, on conviction, be liable to a fine not exceeding thirty thousand ringgit or to imprisonment for a term not exceeding two years or to both.

Forms

- 18(1) The Forms in Schedule are prescribed for use under the Act and these Regulations.
- 18(2) Any person making declaration in any forms under subregulation (1) shall give true and complete information.

Γ *DST-01*



JABATAN KASTAM DIRAJA MALAYSIA
ROYAL MALAYSIAN CUSTOMS DEPARTMENT

APPLICATION FOR DIGITAL SERVICE REGISTRATION

(Important Notes)

- 1) Please refer to **DST-01 Registration Form Guidelines**
- 2) Column with (*) is a mandatory field.
- 3) Please tick () accordingly.

PART A: BUSINESS PARTICULARS

1) Business Registration No.*

2) Name and Registered Address of Business*

Town
Postcode/Zipcode State

3) Trading Name

4) Correspondence Address of Business (if different from item 2)

Town
Postcode/Zipcode State

5) Telephone No*

6) Fax No.

7) Business Email Address*

8) Details of Person Authorised by Company /Directors / Owner.*

(a) No.	(b) Name *	(c) Passport No or other Identification No.*	(d) Tel. No.*	(e) Email address*	(f) Designation*

9) Financial Year End Month*

--	--

PART B: SERVICE DETAILS

10) Types of Digital Services*

- a) Software, apps and video game
- b) Music, e-book and film
- c) Advertisement and online platform
- d) Search engine and social network
- e) Database and hosting
- f) Internet Based Telecommunication
- g) Online training
- h) Others

11) Fill in relevant details:*

(Day) (Month) (Year)

a) Date of Achieving Value of Digital Service

		/			/				
--	--	---	--	--	---	--	--	--	--

12) Total Value of Digital Service*

MYR

PART C: APPLICANT DECLARATIONS

13) I hereby declare that the information stated in this form and any supporting documents furnished are true and complete and agree any notice to be served to me through electronic service.*

Date*

		/			/				
(day)			(month)			(year)				

14) Name of Applicant*

--

15) Identification No/Passport No*

--

16) Designation*

--

17) Telephone No*

--

18) E-mail address*

--

No. DST-02 :

Amendment



**JABATAN KASTAM DIRAJA MALAYSIA
ROYAL MALAYSIAN CUSTOMS DEPARTMENT
DIGITAL SERVICE RETURN**

Important Notes

- 1) Please refer to DST-02 Return Guidelines.
- 2) Column with (*) is a mandatory field.
- 3) If nothing to declare, please fill in "0".

PART A: DETAILS OF FOREIGN REGISTERED PERSON

1) Identification No.*	<input type="text"/>
2) Name of Business.*	<input type="text"/>
3) Business Address.*	<input type="text"/>
4) Correspondence Address of Business	<input type="text"/>
	Town <input type="text"/>
	Postcode/Zipcode <input type="text"/> State <input type="text"/>
5) Telephone No.*	<input type="text"/>
6) Fax No.	<input type="text"/>
7) Email Address.*	<input type="text"/>

PART B: SERVICE DETAILS

8) Taxable Period.*

from / / to / /
 (day) (month) (year) (day) (month) (year)

9) Details of digital service

(a) No.	(b) Types of digital service provided *	(c) Value of digital service (MYR)*	(d) Amount of tax (MYR)*
	Total		

10) Penalty Rate / Penalty Amount

% MYR

11) Total Amount of Service Tax Payable*

MYR

12) Currency used

PART C: DECLARATION

13) I hereby declare that the information stated in this form and any supporting documents furnished are true and complete and agree any notice to be served to me through electronic service.*

Date*

/ /
 (day) (month) (year)

14) Name of Declarant.*

15) Designation of Declarant.*

16) Telephone No.*