



SERVICE TAX POLICY NO. 8/2025

THE MINISTER OF FINANCE has decided the service tax treatment on the following services **effective 1 July 2025**, namely –

RENTAL OR LEASING SERVICES

Group K, First Schedule

Service Tax Regulations 2018

NO.	SUBJECT	SERVICE TAX TREATMENT
1.	Service tax treatment on rental or leasing services in respect of tangible assets located in Malaysia.	The rental of tangible assets located <u>not exceeding 12 nautical miles</u> measured from baselines accordance to the method prescribed under the United Nations Convention on the Law of the Sea 1982 (UNCLOS) is subject to service tax.
2.	Service tax treatment on rental or leasing services in respect of tangible assets located outside Malaysia.	The rental of tangible assets located <u>exceeding 12 nautical miles</u> measured from baselines accordance to the method prescribed under the United Nations Convention on the Law of the Sea 1982 (UNCLOS) is not subject to service tax.

Disclaimer:

The service tax policy issued herein is subject to amendments should there be any changes to the relevant policy.

**INTERNAL TAX DIVISION HEADQUARTERS
ROYAL MALAYSIAN CUSTOMS DEPARTMENT**