

INCOME TAX (SINGLE FAMILY OFFICE INCENTIVE SCHEME) (PULAU 1 OF FOREST CITY SPECIAL FINANCIAL ZONE) (EXEMPTION) ORDER 2025

PU (A) 351
30 September 2025

IN exercise of the powers conferred by paragraph 127(3)(b) of the Income Tax Act 1967 [Act 53], the Minister makes the following order:

CITATION AND COMMENCEMENT

1(1) This order may be cited as **Income Tax (Single Family Office Incentive Scheme) (Pulau 1 of Forest City Special Financial Zone) (Exemption) Order 2025**.

1(2) This Order is deemed to have come into operation on 1 September 2024.

INTERPRETATION

2 In this Order—

"stock exchange" means Bursa Malaysia Securities Berhad;

"single family" means a family whose members are individuals who are lineal descendants of a single ancestor and includes—

- (a) the spouse;
- (b) the biological child;
- (c) the stepchild; and
- (d) the child adopted in accordance with any written law;

"Pulau 1 of Forest City Special Financial Zone" means Pulau 1, Forest City situated in the Mukim of Tanjung Kupang, District of Johor Bahru, Johore as shown in the Gazette Plan PW50276 deposited in the Office of the Director of Survey and Mapping, Johore;

"single family fund company" means a company incorporated under the Companies Act 2016 [Act 777] and resident in Malaysia which—

- (a) is wholly owned, directly or indirectly, by a member of a single family;
- (b) operates in Pulau 1 of Forest City Special Financial Zone; and
- (c) is established solely for the purpose of holding the asset and investment
- (d) activity for the interest of members of a single family.

EXEMPTION

3 The Minister exempts a company, limited liability partnership, trust body or co-operative society which is wholly owned, directly or indirectly, by a member of a single family from the payment of income tax in respect of chargeable income from gains or profits received from the disposal of shares of a company incorporated in Malaysia which is not listed on the stock exchange to a single family fund company.

CONDITIONS OF EXEMPTION

- 4(1)** The exemption granted under paragraph 3 is subject to the following conditions:
- (a) the single family fund company shall obtain a certification letter from the Securities Commission;
 - (b) the disposal of shares—
 - (i) shall be made to a single family fund company within the period of twelve months from the date the certification letter is issued by the Securities Commission; and
 - (ii) shall be made within the period from 1 September 2024 to 31 December 2034; and
 - (c) the ultimate beneficial owner of the company, limited liability partnership, trust body or co-operative society and the ultimate beneficial owner of the single family fund company shall consists of members of the same single family.
- 4(2)** Nothing in paragraph 3 shall absolve or be deemed to have absolved the company, limited liability partnership, trust body or co-operative society from complying with any requirement to submit any return or statement of accounts or to furnish any other information under the Act.

LOSS FROM DISPOSAL OF SHARES

- 5** Where the company, limited liability partnership, trust body or co-operative society incurs any loss from the disposal of shares referred to in paragraph 3 within the period from 1 September 2024 to 31 December 2034, such loss shall be disregarded for the purposes of subsections 65E(5) and (6) of the Act.

NON-APPLICATION

- 6** This Order shall not apply to—
- (a) a disposal of shares of a company incorporated in Malaysia which is not listed on the stock exchange where gains or profits from the disposal of shares is chargeable to tax as a business income under paragraph 4(a) of the Act; or
 - (b) a company, limited liability partnership, trust body or co-operative society which a tax exemption has been granted under paragraph 127(3)(b) or subsection 127(3A) of the Act in respect of the same disposal of shares.