

INCOME TAX (INCOME OF NON-RESIDENT PERSON) (PULAU 1 OF FOREST CITY SPECIAL FINANCIAL ZONE) (EXEMPTION) ORDER 2025

PU (A) 357
3 October 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 the **Income Tax (Income of Non-resident Person) (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.

EXEMPTION

2(1) The Minister exempts any non-resident person from the payment of income tax in respect of income derived from Malaysia in relation to –

- (a) any services referred to in subparagraph 4A(i) of the Act;
- (b) any advice, assistance or services referred to in subparagraph 4A(ii) of the Act;
- (c) any rental or other payments referred to in subparagraph 4A(iii) of the Act; or
- (d) any gains or profits under paragraph 4(f) of the Act.

2(2) The income referred to in subparagraph (1) shall be received on or before 31 August 2024 from any of the following person who operates in Pulau 1 of Forest City Special Financial Zone:

- (a) a person who is licensed under section 10 of the Financial Services Act 2013 [Act 758] or section 10 of the Islamic Financial Services Act 2013 [Act 759];
- (b) a company which is a holder of a Capital Market Services Licence under the Capital Markets and Services Act 2007 [Act 671];
- (c) a recognized market operator who is registered under section 34 of the Capital Markets and Services Act 2007 other than an individual;
- (d) a registered person registered under section 76 of the Capital Markets and Services Act 2007 other than an individual;
- (e) a person providing capital market services registered under section 76A of the Capital Markets and Services Act 2007 other than an individual;
- (f) a single family fund company which is verified by the Securities Commission;
- (g) a financial technology company, insurance technology company, regulatory financial technology company or Islamic financial technology company which has been awarded MSC Malaysia Status or Malaysia Digital Status and is verified by Malaysia Digital Economy Corporation Sdn. Bhd.;

- (h) a payment system operator established or incorporated in a foreign jurisdiction approved under section 11 of the Financial Services Act 2013 or section 11 of the Islamic Financial Services Act 2013 to operate a payment system in Pulau 1 of Forest City Special Financial Zone; or
- (i) a centralized services entity providing financial global business services which has been awarded MSC Malaysia Status or Malaysia Digital Status and is verified by Malaysia Digital Economy Corporation Sdn. Bhd.

2(3) The single family fund company referred to in subsubparagraph (2)(f) is a company which –

- (a) is incorporated under the Company Act 2016 [Act 777] and resident in Malaysia;
- (b) is wholly owned, directly or indirectly, by a member of a single family;
- (c) operated in Pulau 1 of Forest City Special Financial Zone; and
- (d) is established solely for the purpose of holding the asset and investment activity for the interest of members of a single family.

2(4) Nothing in subparagraph (1) shall absolve or be deemed to have absolved the non-resident person from complying with any requirement to submit any return or statement of accounts or to furnish any other information under the Act.

2(5) For the purposes of this paragraph –

“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.

NON-APPLICATION

3 For the purposes of this Order, sections 109B and 109F of the Act shall not apply to the income referred to in subparagraph 2(1).