

INCOME TAX (EXEMPTION) (NO. 2) ORDER 2013

PU (A) 7

17 December 2012

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 (Exemption) (No. 2) Order 2013**.
- 1(2) This Order has effect from the year of assessment 2013 until the year of assessment 2015.

INTERPRETATION

2 In this Order —

"tour operating business" has the same meaning assigned to it under subsection 2(1) of the Tourism Industry Act 1992 [Act 482];

"group inclusive tour" means a tour package to or of Malaysia or any place within Malaysia undertaken by tourists from outside Malaysia, inclusive of transportation by air, land or sea and accommodation.

EXEMPTION

- 3(1) Subject to subparagraph (2), the Minister exempts a company resident in Malaysia which is licensed under the Tourism Industry Act 1992 to carry on a tour operating business from the payment of income tax in respect of the statutory income derived from group inclusive tours.
- 3(2) The exemption in subparagraph (1) shall only apply if the total number of tourists from outside Malaysia in group inclusive tours relating to the company is not less than seven hundred and fifty in the basis period for a year of assessment which is certified by a letter from the Ministry of Tourism Malaysia.

MAINTAINING SEPARATE ACCOUNT

- 4 A company seeking exemption under paragraph 3 shall maintain a separate account for the income derived from group inclusive tours.

APPLICATION OF PARAGRAPHS 5 AND 6 OF SCHEDULE 7A

- 5 Paragraphs 5 and 6 of Schedule 7A of the Act shall apply, subject to such modifications and adaptations as may be necessary, to the amount of income exempted under paragraph 3.