

INCOME TAX (EXEMPTION) (NO. 5) ORDER 2013

PU (A) 39

7 February 2013

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. 5) Order 2013**.

1(2) This Order is deemed to have come into operation from 10 October 2011 until 31 December 2021.

INTERPRETATION

2(1) In this Order—

"qualifying activity" means any of the following activity carried out by a qualifying person in RAPID Complex:

- (a) blending, processing or cracking of crude, condensates, feedstock or intermediate feedstock;
- (b) production, manufacturing or product development of petroleum, petrochemical, chemicals, intermediate, final products or its related by-products;
- (c) storing, formulating, blending, distributing or marketing of petroleum, petrochemical, chemicals, intermediate, final products or its related by-products;
- (d) re-gasification of LNG to gas and relevant distribution; or
- (e) generation, distribution or sales of all forms of utilities including but not limited to electricity, water, steam, gases, hydrogen, air or waste treatment;

"RAPID Complex" means a complex which consists of liquid cracker plants, refinery plants, petrochemical or chemical production plants and all support and auxiliary facilities including but not limited to liquid natural gas (LNG), Receiving and Re-gasification Terminal (RGT), COGEN power plant, storage facilities or waste disposal facilities, and located in Pengerang, Johor;

"qualifying person" means—

- (a) Petroliam Nasional Berhad;
- (b) any other company incorporated under the Companies Act 1965 [Act 125] where Petroliam Nasional Berhad holds at least 51 per cent paid up capital in respect of ordinary shares; or
- (c) any other company incorporated under the Companies Act 1965 which carries out qualifying activity within the RAPID Complex where Petroliam Nasional Berhad holds, either directly or indirectly, ordinary shares in that company.

2(2) For the purpose of this Order, "RAPID" is an abbreviation for Refinery and Petrochemical Integrated Development.

EXEMPTION

3(1) The Minister exempts a non-resident person from the payment of income tax in respect of—

- (a) any payment under paragraph 4A of the Act;
- (b) interest;
- (c) royalty;
- (d) contract payment under section 107A of the Act;
- (e) other gains or profit falling under paragraph 4(f) of the Act,
received from a qualifying person in relation to qualifying activity.

3(2) Nothing in subparagraph (1) shall absolved 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 provisions of the Act.

NON APPLICATION

4 The provisions of sections 107A, 109, 109B and 109F of the Act shall not apply to the income exempted under this Order.