

LABUAN BUSINESS ACTIVITY TAX (EXEMPTION) ORDER 2013

PU (A) 99
21 March 2013

IN exercise of the powers conferred by paragraph 26(1) of the Labuan Business Activity Tax Act 1990 [Act 445], the Minister makes the following order:

CITATION AND COMMENCEMENT

- 1(1)** This order may be cited as the **Labuan Business Activity Tax (Exemption) Order 2013**.
- 1(2)** This Order shall have effect from the year of assessment 2013 and subsequent years of assessment.

INTERPRETATION

- 2(1)** In this Order—

"Global Incentives for Trading" means a programme of incentives for the Labuan International Commodity Trading Company to use Malaysia as their international trading base to undertake qualifying activity;

"Labuan International Commodity Trading Company" means a Labuan company which—

- (a) is incorporated or registered under the Labuan Companies Act 1990 [Act 447];
- (b) is licensed under section 92 of the Labuan Financial Services and Securities Act 2010 [Act 704];
- (c) maintains a registered office in Labuan but is allowed to establish its operational office anywhere in Malaysia; and;
- (d) undertakes a qualifying activity under the Global Incentives for Trading programme;

"qualifying activity" means the trading of physical and related derivative instruments of liquefied natural gas in any currency other than Ringgit;

EXEMPTION

- 3(1)** The Minister exempts the Labuan International Commodity Trading Company from the payment of tax in respect of its income derived from qualifying activity.
- 3(2)** The exemption referred to in subparagraph (1) shall be for a period of three consecutive years commencing from the first year of its operation.

SEPARATE SOURCE AND ACCOUNT

- 4(1)** Where a Labuan International Commodity Trading Company carries on a qualifying activity referred to in paragraph 2, and any other activity or business, each of such activity or business shall be treated as a separate and distinct source of activity or business.
- 4(2)** The Labuan International Commodity Trading Company which is exempted under paragraph 3, shall maintain a separate account for the income derived from each activity referred to in subparagraph (1).