

SALES TAX ACT 2018

SALES TAX (PERSONS EXEMPTED FROM PAYMENT OF TAX) (AMENDMENT) (NO. 2) ORDER 2018

IN exercise of the powers conferred by paragraph 35(1)(b) of the Sales Tax Act 2018 [Act 806], the Minister makes the following order:

Citation and commencement

1. (1) This order may be cited as the **Sales Tax (Persons Exempted From Payment Of Tax) (Amendment) (No. 2) Order 2018**.

(2) This Order comes into operation on 1 January 2019.

Amendment of paragraph 4

2. The Sales Tax (Persons Exempted From Payment Of Tax) 2018 [P.U. (A) 210/2018] which is referred to the “Principal order” in this order is amended in paragraph 4(a) by inserting after the words “certificate” the words “as determined by the Director General” wherever appearing.

Amendment of paragraph 5

3. The principal Order is amended in subparagraph 5(2) by substituting for the words “person specified in column (2) of item 3 of Schedule A” the words “Federal or State Government.”

Amendment of Schedule A

4. The principal Order is amended in Schedule A—

(a) in relation to item 5, in column (3), by deleting the words “and motor cars”;

(b) in relation to item 19, in column (4)—

(i) by deleting the words “that for the purpose of this exemption ‘force’, ‘civilian component’ and ‘dependant’ shall have the same meaning

respectively as in the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Malaysia, on external defence and mutual assistance signed at Kuala Lumpur on 12th day of October 1957.”; and

(ii) by inserting after paragraph (g) the following paragraph:

“(h) that for the purpose of this exemption ‘force’, ‘civilian component’ and ‘dependant’ shall have the same meaning respectively as in the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Malaysia, on external defence and mutual assistance signed at Kuala Lumpur on 12th day of October 1957.”;

(c) in relation to item 27, in column (4), in paragraph (a), by deleting the words “that the goods shall be subject to such conditions as the Director General may deem fit to impose.”;

(d) in relation to item 28, in column (4), in paragraph (a), by substituting for the words “Malaysia Airline Berhad” the words “Malaysia Airlines Berhad”;

(e) by inserting after item 33 and the particulars relating to it the following item and particulars:

<i>(1)</i> <i>Item</i> <i>No.</i>	<i>(2)</i> <i>Persons</i>	<i>(3)</i> <i>Goods</i> <i>exempted</i>	<i>(4)</i> <i>Conditions</i>	<i>(5)</i> <i>Certificate to</i> <i>be signed by</i>
“33A.	Any Aerospace Maintenance, Repair and Overhaul (MRO) company	Machinery, equipment and specialised tools to be used for MRO	(d) That the goods are imported, transported from designated area, from a Licensed Warehouse	The person authorised by Aerospace Maintenance, Repair and Overhaul (MRO)

<i>(1)</i> Item No.	<i>(2)</i> Persons	<i>(3)</i> Goods exempted	<i>(4)</i> Conditions	<i>(5)</i> Certificate to be signed by
	endorsed by MIDA	activities	<p>under section 65 of the Customs Act 1967 or Licensed Manufacturing Warehouse under section 65A of the Customs Act 1967, from a free zone under the Free Zones Act 1990, or purchased from a registered manufacturer;</p> <p><i>(e)</i> that the goods are used directly in the MRO activities within Malaysia by the person; and</p> <p><i>(f)</i> that the goods are identified to the satisfaction of the proper officer of customs at the time of importation.</p>	company
33B.	Any Aerospace Maintenance, Repair and Overhaul (MRO) company endorsed by MIDA	Spare parts, componens, materials and specialised consumables goods to be used for MRO	<i>(d)</i> That the goods are imported, transported out from designated area, from a Licensed Warehouse under section 65 of the Customs	The person authorised by Aerospace Maintenance, Repair and Overhaul (MRO) company”;

<i>(1)</i> <i>Item</i> <i>No.</i>	<i>(2)</i> <i>Persons</i>	<i>(3)</i> <i>Goods</i> <i>exempted</i>	<i>(4)</i> <i>Conditions</i>	<i>(5)</i> <i>Certificate to</i> <i>be signed by</i>
		activities.	<p>Act 1967 or Licensed Manufacturing Warehouse under section 65A of the Customs Act 1967, from a free zone under the Free Zones Act 1990, or purchased from a registered manufacturer;</p> <p><i>(e)</i> that the goods are used directly in the MRO activities within Malaysia by the person; and</p> <p><i>(f)</i> that the goods are identified to the satisfaction of the proper officer of customs at the time of importation.</p>	

(f) in relation to item 34—

(i) in column (3)—

(A) by substituting for the words “transported from” the words “transported out from”;

(B) by substituting for the words “Labuan or moved” the words “Labuan or”; and

(C) by substituting for the words “, transported or moved” the words “or transported back”; and

(ii) in column (4)—

(A) by substituting for paragraph (a) the following paragraph:

“(a) that the goods are imported and re-exported or transported out and transported back by the same route;”;

(B) by substituting for paragraph (b) the following paragraph:

“(b) that the import, re-export, transported out or transported back are registered by the proper officer of customs at the place of import and re-export or transported out and transported back;”; and

(C) in paragraph (e) by inserting after the word “re-exported” the words “or transported back”;

(g) in relation to item 38—

(i) in column (3)—

(A) by deleting the words “moved to”;

(B) by substituting for the words “or 65A” the words “under section 65A”; and

(C) by substituting for the words “re-imported or returned” the words “transported back”; and

- (ii) in column (4)—
 - (A) by substituting for paragraph (c) the following paragraph:

“(c) that the said goods are transported to and transported back
by the same route;” and
 - (B) in paragraph (d), by substituting for the word “determined” the
word “determine”;
- (h) in relation to item 45, in column (4), in paragraph (e), by substituting for
the word “(iv)” the word “(d)”;
- (i) in relation to item 47, in column (4), in paragraph (b), by inserting after the
word “imported” the words “or purchased”;
- (j) in relation to item 48, in column (4)—
 - (i) in paragraph (b), by inserting after the word “imported” the words “or
purchased”;
 - (ii) in paragraph (c), by substituting for the word “is” the word “are”;
 - (iii) by deleting the words “that the goods shall not be sold or otherwise
disposed of (except after the payment of sales tax) as approved by the
Director General.”; and
 - (iv) by inserting after paragraph (c) the following paragraph:

“(d) that the goods shall not be sold or otherwise disposed of (except
after the payment of sales tax) as approved by the Director
General.”;

(k) in relation to item 49, in column (4), in paragraph (a), by substituting for the word “removed” the words “transported out”;

(l) by inserting after item 53 and the particulars relating to it the following item and particulars:

<i>(1)</i> <i>Item</i> <i>No.</i>	<i>(2)</i> <i>Persons</i>	<i>(3)</i> <i>Goods</i> <i>exempted</i>	<i>(4)</i> <i>Conditions</i>	<i>(5)</i> <i>Certificate to be</i> <i>signed</i>
“53A.	Any rice miller or wholesaler licensed under the Control of Padi and Rice Act [Act 522]	Packing materials	<p>(d) That the goods are imported or purchased from a registered manufacturer;</p> <p>(e) that the goods shall be used solely for the packing of rice;</p> <p>(f) that the person approved shall pay the sales tax on any goods in column (3) that cannot be accounted for.</p>	The rice miller or wholesaler”;

(m) in relation to item 58, in column (4)—

(i) in paragraph (c), by substituting for the full stop at the end of the paragraph with a semicolon; and

(ii) by inserting after paragraph (c) the following paragraph:

“(d) that the person approved in column (2) shall comply with any other conditions that the Director General may impose from time to time.”;

(n) in relation to item 63, in column (4), by renumbering the subsubparagraph (h)(i)(C) as subparagraph (h)(ii);

(o) in relation to item 65, in column (5), by inserting the words “The haulage operator endorsed by MIDA”;

(p) in relation to item 67, in column (4)—

(i) by deleting the words “that the goods are produced and identified to the satisfaction of the proper officer of customs at the designated area.”; and

(ii) by inserting after paragraph (c) the following paragraph:

“(d) that the goods are produced and identified to the satisfaction of the proper officer of customs at the designated area.”; and

(q) in relation to item 71, in column (3), by deleting the comma appearing after the word “malt”.

Amendment of Schedule B

5. The principal Order is amended in Schedule B—

(a) in relation to item 1, in column (4), in paragraph (a), by substituting for the word “manufacture” the word “manufacturer”; and

(b) in relation to item 3, in column (4), in paragraph (a), by substituting for the word “manufacture” the word “manufacturer”.

Amendment of Schedule C

6. The principal Order is amended in Schedule C—

(a) in relation to item 3, in column (4)—

(j) in paragraph (c), by inserting after the words “on behalf of registered” the word “manufacturer”; and

(ii) in paragraph (d), by substituting for the words “manufacturing of” the words “manufacturing activities of the”; and

(b) in relation to item 4, in column (4), in paragraph (d), by substituting for the words “manufacturing of” the words “manufacturing activities of the”.