

2023 BUDGET TAX SNAPSHOT

SHIPPING

- Tax incentive for ship building and ship repairing companies be extended until 31st December 2027.

AGRICULTURE

- Tax incentive for a company engaging in agricultural-based projects on Controlled Environment Agriculture.

CORPORATES & ENTREPRENEURS

- Reduction of income tax rate in respect of MSME from 17% to 15% on the first RM100,000 chargeable income.

GREEN TECHNOLOGY

- GITA and GITE incentives for solar and other than solar activities including Battery Energy Storage System.
- Tax incentives granted to companies undertaking Carbon Capture and Storage technology ["CCS"] in-house activity and CCS services.

INDUSTRIAL

- Tax incentives for manufacturers of electric vehicle charging equipment.
- Accelerated capital allowance on automation equipment.

AIRLINE & TOURISM

- Reinvestment allowance be granted to hotel and selected tourism projects.
- Special tax deduction for expenditure on Malaysian-made handicraft by hotel industry.
- Tax incentive for aerospace industry be extended for a period of 3 years.

TRANSPORTATION/ LOGISTICS

- Tax deduction of up to RM300,000 allowed for rental of electric vehicle.
- Sales tax exemption on purchase of locally assembled bus be extended for a period of 2 years.
- Extension of import duty and excise duty exemption on imported CBU electric vehicles until 31st December 2024.

EDUCATION

- RM10 stamp duty for educational loan / scholarship agreement to pursue education at all levels including certificate (education / skills / professionals) in any educational and training institutions.

INDIVIDUAL / RAKYAT

- Reduction of 2% in the income tax rates for resident individuals.
- Tax relief of up to RM3,000 for additional voluntary contribution of EPF.
- Scope of tax relief for medical expenses be expanded to cover dental examination / treatment up to RM1,000
- Exemption of import duty and sales tax on purchase of nicotine gum and nicotine patch.

FINANCIAL INSTITUTIONS

- Full stamp duty exemption on restructuring of loan / financing agreement executed until 31st December 2024.
- Service tax exemption on digital services related to banking / financial services.

HEALTHCARE

- Extension of tax incentive for export of private healthcare services.
- Extension of tax incentive for pharmaceutical companies.
- Extension of tax incentive for medical tourism.

BURSA / SECURITIES COMMISSION

- Tax deduction of up to RM1.5 million on the cost of listing on the ACE and LEAP Markets is extended for a period of 3 years.
- Tax deduction of up to RM1.5 million on the cost of listing on the Main Market by technology-based companies from YA 2023 to YA 2025.
- Tax deduction on the cost of issuing SRI-linked *Sukuk* that is approved / permitted / deposited with SC be given for a period of 5 years.

REAL ESTATE & PROPERTY

- Stamp duty exemption of 75% on purchase of a house worth from RM500,000 to RM1 million be given until 31st December 2023.
- RM10 stamp duty for transfer of property ownership by way of love and affection.