

## IMPORTANT NOTICE : ONLINE APPLICATION IS NOW AVAILABLE

(PC 1 –10.3.2009)

### GUIDELINES AND PROCEDURES FOR APPLYING IMPORT DUTY AND/OR SALES TAX EXEMPTION ON MACHINERY AND EQUIPMENT

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1. Import duty and sales tax exemption on machinery and equipment which are not produced locally and are imported directly can be considered for manufacturing, agricultural, and related services sectors. Machinery and equipment that can be considered are for:-
  - (i) used directly in the process
  - (ii) controlling environmental pollution
  - (iii) recycling of material
  - (iv) product testing and quality control
  - (v) spare parts/replacement parts
  - (vi) consumables
2. Machinery and equipment used for the above mentioned purposes which are purchased from local manufacturer can also be considered for sales tax exemption.
3. Exemption can be considered for a period of one year from the date of application received by MIDA.
4. Application must be submitted **before the machinery and equipment are imported or purchased**. The relevant Forms are as follows:-
  - (a) For manufacturing and agricultural sectors – **PC 1**
  - (b) For selected services sector – **PC services**
5. As a prerequisite, companies are required to register with the Department of Occupational Safety and Health (DOSH).
6. Only application for total duty/tax exemption of **RM1,000.00** and above (per submission) will be considered for exemption.
7. A company applying for duty exemption **for the first time** should also submit a copy of the following documents:-
  - (a) Memorandum and Article of association or business registration certificate

- (b) Document pertaining to the purchase/installation/construction and lease of factory, plant and machinery, or
  - (c) Sales Tax Licence (CJ2) or certificate of exemption from Sales Tax Licence (CJ7) from the Royal Customs and Excise Department or the letter of acknowledgement if the application for the Licence or certificate has been made only recently.
8. Application Forms should be printed and submitted in three (3) complete copies with an addition of four (4) copies of Appendix I to:-

**Director-General**

Malaysian Industrial Development Authority (MIDA)  
5<sup>th</sup> Floor, Block 4, Plaza Sentral  
Jalan Stesen Sentral 5  
50470 Kuala Lumpur  
P.O. Box 10618  
50720 Kuala Lumpur  
Malaysia

9. **Online application** should be accompanied by scanned copies of documents as in para 7. A signed copy of an application form should also be submitted to MIDA.
10. For enquiries and clarification, please refer to:-

MIDA's website, [www.mida.gov.my](http://www.mida.gov.my)  
Tel : 603-22673633  
Fax : 603-22747970 / 22734204  
E-mail : [investmalaysia@mida.gov.my](mailto:investmalaysia@mida.gov.my)