

GUIDELINES AND PROCEDURES ON APPLICATION FOR IMPORT DUTY AND/OR SALES TAX EXEMPTION ON ADDITIONAL QUANTITIES OF RAW MATERIALS, COMPONENTS AND SEMI FINISHED GOODS FOR OWNERS OF MALAYSIAN BRAND NAMES IN OUTSOURCING MANUFACTURING ACTIVITIES

1. **Owners of Malaysian Brand Names** are eligible for **import duty and/or sales tax exemption** on additional quantities of raw materials, components and/or semi finished goods used in **the manufacture of finished products by their contract manufacturers locally or abroad.**

2. Import duty and/or sales tax exemption can be considered as follows:
 - (i) **Import duty exemption** can be considered on **imported raw materials and components** which are used to manufacture finished products with **nil import duty.**

 - (ii) **Import duty and/or sales tax exemption** can be considered on **semi-finished goods** which are **imported from contract manufacturers abroad** and are used in the manufacture of finished products **by local contract manufacturers.**

 - (iii) **Sales tax exemption** can be considered on **imported and locally purchased raw materials, component and/or imported semi-finished goods** used to manufacture **finished products** which are subject to **sales tax.**

 - (iv) **Sales tax exemption** can be considered on **imported and locally purchased raw materials, components** and/or **imported semi finished goods used** to manufacture **finished products** in the **following industries/sectors which are not subject to sales tax:**
 - aerospace and aircraft
 - machinery and equipment
 - petroleum products (other than refineries)
 - research and development

 - (v) Raw materials, components and semi-finished goods are **used directly** in the manufacture of finished products.

3. Only application for total duty/tax exemption of RM 1,000.00 and above (per submission) will be considered for exemption.
4. Printed applications should be submitted using **Form PC 6-1** in **two (2) copies** to:

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

5. For enquiries and clarification, please refer to:-

Tel. No. : (603) 2267 3633
Fax No. : (603) 2274 7970 / 2273 4204
MIDA's Website : <http://www.mida.gov.my>
E-mail : investmalaysia@mida.gov.my