

GUIDELINES AND PROCEDURES ON APPLICATION FOR IMPORT DUTY AND/OR SALES TAX EXEMPTION ON 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 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. The following documents need to be submitted:-

(i) A copy of **Certificate of Trade Mark Registration** issued by:

Director General
Intellectual Property Corporation of Malaysia (IPC)
32nd Floor, Menara Dayabumi
Jalan Sultan Hishamuddin
50623 Kuala Lumpur.
Tel. No: (603) 2272 8671
Fax No: (603) 2274 1332
Website: <http://www.mipc.gov.my>

or

A copy of certificate or registration of brand names acquired from abroad.

(ii) Outsourcing process flow chart.

(iii) Relevant contract documents on outsourcing arrangement which stipulate the imported semi-finished goods applied.

(iv) Memorandum and Articles of Association or Business Registration.

5. Companies which **have not been approved the above Certificate of Trade Mark Registration**, are required to **submit the following documents** issued by **The Intellectual Property Corporation of Malaysia (IPC)**:

(i) **Acknowledgement letter** for submission of application for Trade Mark Registration (Form TM5); **and**

(ii) **Acceptance letter for Advertisement for Trade Mark Registration** (Form TM 29).

6. Printed applications should be submitted using **Form PC 6** 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

7. 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