

GUIDELINES AND PROCEDURES FOR A HAULAGE OPERATORS TO CLAIM EXEMPTION FOR SALES TAX ON PRIME MOVERS (HS 8701.20.91 00) AND/OR CONTAINER TRAILERS (HS 8716.39.40 00, 8716.39.91 00 AND 8716.39.99 00) PURCHASED FROM A MANUFACTURER REGISTERED UNDER SALES TAX ACT 2018 UNDER ITEM 65 SCHEDULE A SALES TAX (PERSONS EXEMPTED FROM PAYMENT OF TAX) ORDER 2018

INTRODUCTION

The implementation of the self-declaration mechanism for sales tax exemption on **prime movers (HS 8701.20.91 00)** and/or **container trailers (HS 8716.39.40 00, 8716.39.91 00 and 8716.39.99 00)** is provided under Sales Tax (Persons Exempted From Payment Of Tax) Order 2018 effective 1st October 2018.

Haulage Operators are allowed to claim for the exemption on sales tax on **prime movers** and/or **container trailers** under Sales Tax (Persons Exempted From Payment Of Tax) Order 2018 through a self-declaration process.

Under this mechanism, **prior to the purchase** a company is required to apply for the confirmation letter from MIDA and application for sales tax exemption has to be **submitted online** to Royal Malaysian Customs Department via <https://mysst.customs.gov.my/>

ELIGIBILITY

- 1) The **Sales Tax (Persons Exempted From Payment Of Tax) Order 2018** provide an **exemption** for the followings:
 - a) Sales tax exemption on **prime movers (HS 8701.20.91 00)** purchased from a manufacturer registered under Sales Tax Act 2018 under Item 65 Schedule A Sales Tax (Persons Exempted From Payment Of Tax) Order 2018
 - b) Sales tax exemption on **container trailers (HS 8716.39.40 00, 8716.39.91 00 and 8716.39.99 00)** purchased from a manufacturer registered under Sales Tax Act 2018 under Item 65 Schedule A Sales Tax (Persons Exempted From Payment Of Tax) Order 2018
- 2) The **qualifying criteria** for the exemption are as follows:
 - a) The **prime mover** must be **new and unused and used for the purpose of hauling the container trailer**
 - b) The **container trailer** must be **new and unused and directly used for haulage operations**
 - c) The haulage operator must produce a **valid *Surat Tawaran Kelulusan Lesen Kenderaan Perdagangan Kelas Pembawa A bagi Kontena*** issued by the Road Transport Department for Peninsular Malaysia or the Commercial Vehicle Licensing Board (CVLB) for Sabah and Sarawak
 - d) For replacement of goods, the operator must produce a **valid *Surat Pemberitahuan Kelulusan Ubahsyarat Ganti Kenderaan bagi Kelas Lesen Pembawa A bagi Kontena*** issued by Road Transport Department for Peninsular Malaysia or CVLB for Sabah and Sarawak

SUBMISSION OF DOCUMENTS

The application for a confirmation letter and permission to claim for the exemption must be submitted **prior to the purchase of the prime mover and/or container trailer**. The self-declaration mechanism would reduce the costs of doing business without the necessity of obtaining bank guarantee facilities for the clearance of goods. Companies are advised to take into consideration the duration needed for the whole process to claim for the exemption.

i) Submission to MIDA for the Confirmation Letter as a Haulage Operator

- Online application accompanied by scanned copies of the following documents should be submitted to MIDA:

Documents to be Submitted	
1	<i>Surat Tawaran Kelulusan Lesen Kenderaan Perdagangan Kelas Pembawa A bagi Kontena</i> issued by Road Transport Department for Peninsular Malaysia or Commercial Vehicle Licensing Board (CVLB) for Sabah and Sarawak
2	<i>Surat Pemberitahuan Kelulusan Ubahsyarat Ganti Kenderaan Bagi Kelas Lesen Pembawa A bagi Kontena</i> for the replacement of goods issued by Road Transport Department for Peninsular Malaysia or Commercial Vehicle Licensing Board (CVLB) for Sabah and Sarawak
3	Business Premise Licence from the local authority
4	SSM Company Profile (e-info) latest printout from Companies Commission of Malaysia (SSM)

- A company with **multiple locations** must indicate a single State Customs Control Station in the application form for the purpose of obtaining the permission to claim the exemption, record keeping and audit.
- The application form for **Surat Pengesahan MIDA (SPM)** is available **online** via <https://investmalaysia.mida.gov.my>

ii) Submission to Customs for Permission to Claim the Exemption

Application for **sales tax exemption** on **prime movers** and/or **container trailers** under Item 65 Schedule A Sales Tax (Persons Exempted From Payment Of Tax) Order 2018 has to be **submitted online** to Royal Malaysian Customs Department via <https://mysst.customs.gov.my>

**PROCEDURE TO CLAIM EXEMPTION UNDER THE SALES TAX
(PERSONS EXEMPTED FROM PAYMENT OF TAX) ORDER 2018**

APPLICANT

- Submit the SPM form online via <https://investmalaysia.mida.gov.my> to obtain the confirmation letter from MIDA



MIDA

- Accept complete SPM form and supporting documents
- Issuance of the confirmation letter via online



APPLICANT

- View and download the confirmation letter via <https://investmalaysia.mida.gov.my>
- For sales tax exemption on **prime movers** and/or **container trailers**, application must be made online to Customs via <https://mysst.customs.gov.my/>



**STATE CUSTOMS CONTROL STATION
(SST DIVISION/INDUSTRIAL SECTION)**

- Verify the confirmation letter issued by MIDA and other company's documents via <https://investmalaysia.mida.gov.my>
- Issuance of ***Sijil Di Bawah Perintah Cukai Jualan (Orang Yang Dikecualikan Daripada Pembayaran Cukai) 2018*** for the purchase of the **prime movers** and/or **container trailers** from a registered manufacturer under the Sales Tax Act 2018



APPLICANT

- Purchase the **prime movers** and/or **container trailers** from a registered manufacturer under the Sales Tax Act 2018
- Notify MIDA and the related State Customs Control Station (Industrial Section) when a company ceases operation or winds up

For enquiries and clarification, please contact:-

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