



**LICENSING AND INCENTIVE COMPLIANCE AND
MONITORING SECTION**

**BRIEFING ON POST INCENTIVE & POST
LICENSING FOR MALAYSIAN INDIAN
NETWORK OF ENTREPRENEURS
ASSOCIATION (1MINE)**

**2 August 2019
MIDA Hall**

OBJECTIVES

To share and highlight on the following :

- **Post Incentive Applications**
- **Post Licensing Applications**

FUNCTIONS & SCOPES

POST LICENSING

EVALUATION OF POST LICENSING APPLICATIONS
Under the Industrial Coordination Act, 1975,
(ICA 1975)

POST INCENTIVE

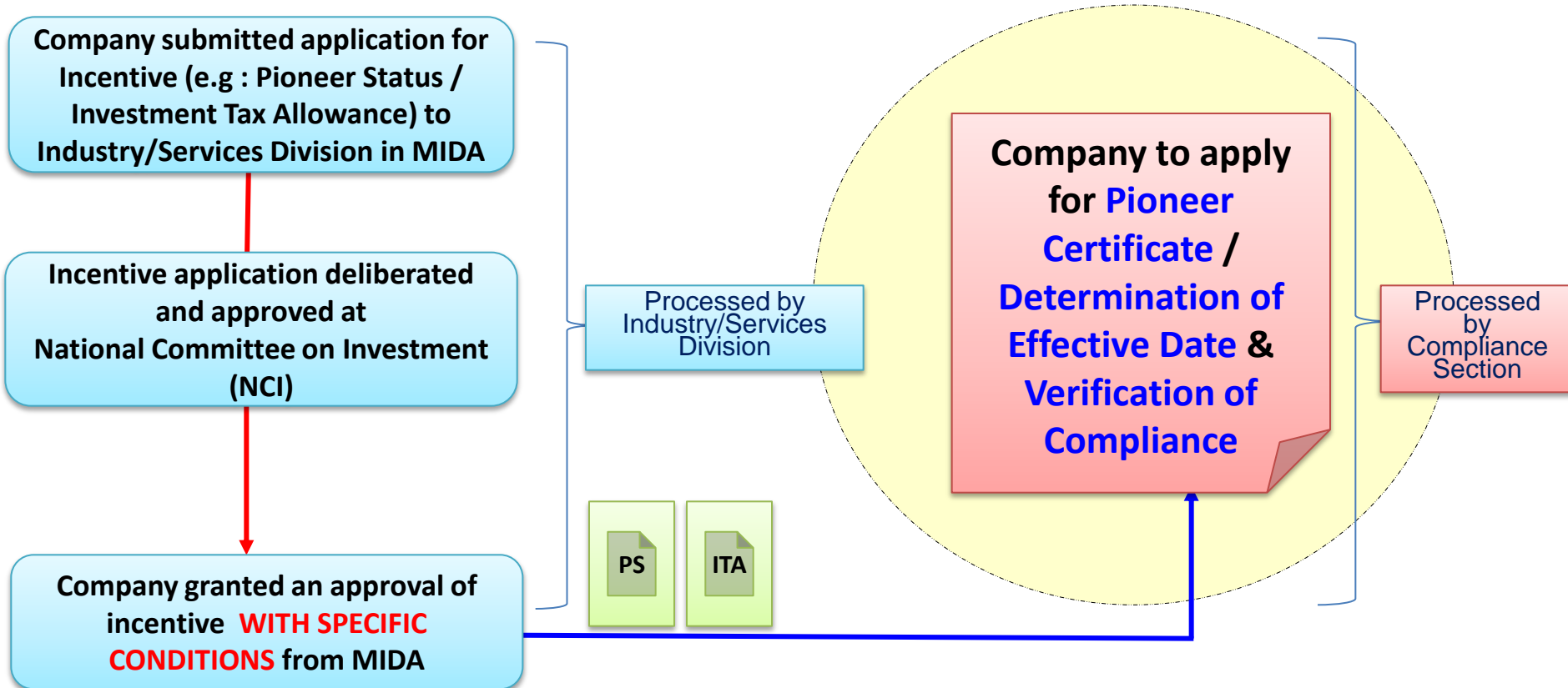
EVALUATION AND MONITORING OF POST
INCENTIVE APPLICATIONS

- a) Under the Promotion of Investment Act (PIA) 1986 - Pioneer Status and Investment Tax Allowance (ITA)
- b) Under the Income Tax Act, 1967 - Income Tax Exemption (P.U. (A) 112 & (P.U. (A) 113)

POST INCENTIVE APPLICATIONS

WHAT IS POST INCENTIVE?

Related applications submitted to MIDA
after issuance of incentive approval letter



POST INCENTIVE APPLICATIONS

LIST OF APPLICATIONS

- | | |
|----|--|
| 1 | Issuance of Pioneer Certificate under Promotion of Investment Act, 1986 |
| 2 | Determination of effective date under Promotion of Investment Act, 1986 and Income Tax Act, 1967 (P.U. (A) 112 and P.U. (A) 113) |
| 3 | Verification for compliance of conditions under Promotion of Investment Act, 1986 and Income Tax Act, 1967 (P.U. (A) 112 and P.U. (A) 113) |
| 4 | Extension of Tax Exemption Period under Promotion of Investment Act, 1986 and Income Tax Act, 1967 [P.U. (A) 112] |
| 5 | Deferment of Pioneer Certificate and Determination of Effective Date (within 5 years from approval) |
| 6 | Surrender of incentive initiated by company (after certificate issued/ effective date determined) |
| 7 | Withdrawal of incentive (after certificate issued/effective date determined) |
| 8 | Annual Compliance Report |
| 9 | Amendment Of Pioneer Certification For Change of Company Name |
| 10 | Amendment Of Pioneer Certification For Change Of Location/Amendment of Factory Address |

ACTIONS TO BE TAKEN BY COMPANY AFTER OBTAINING INCENTIVE APPROVAL LETTER FROM MIDA

Check contents of incentive approval letter

Submit post incentive application to MIDA

Submit annual compliance report

CHECK CONTENTS OF INCENTIVE APPROVAL LETTER

1. Check and understand **incentive conditions** imposed;
2. Keep track on **timeline to submit** application for Pioneer Certificate / Determination of Effective Date (within 24 months from the date of the approval letter), Deferment of Pioneer Certificate and Determination of Effective Date ;and
3. Identify a **correct form** to submit (as stated in the incentive approval letter.

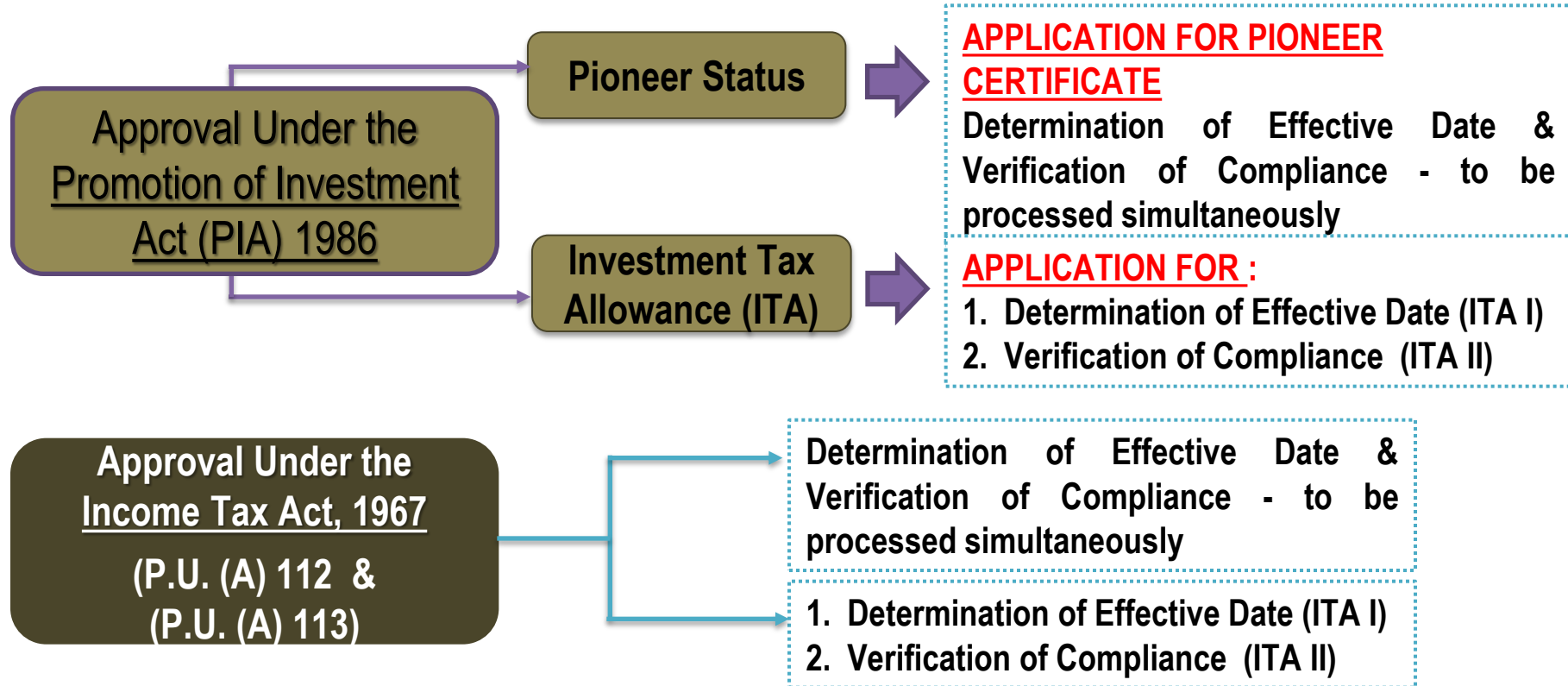
Pioneer Status
Incentive Approval
Letter (PIA,1986)

Investment Tax
Allowance Incentive
Approval Letter
(PIA,1986)


Income Tax
Exemption
[P.U. (A) 113]
Approval
Letter

Income Tax
Exemption
(P.U.(A) 112)
Approval
Letter

SUBMIT POST INCENTIVE APPLICATION TO MIDA

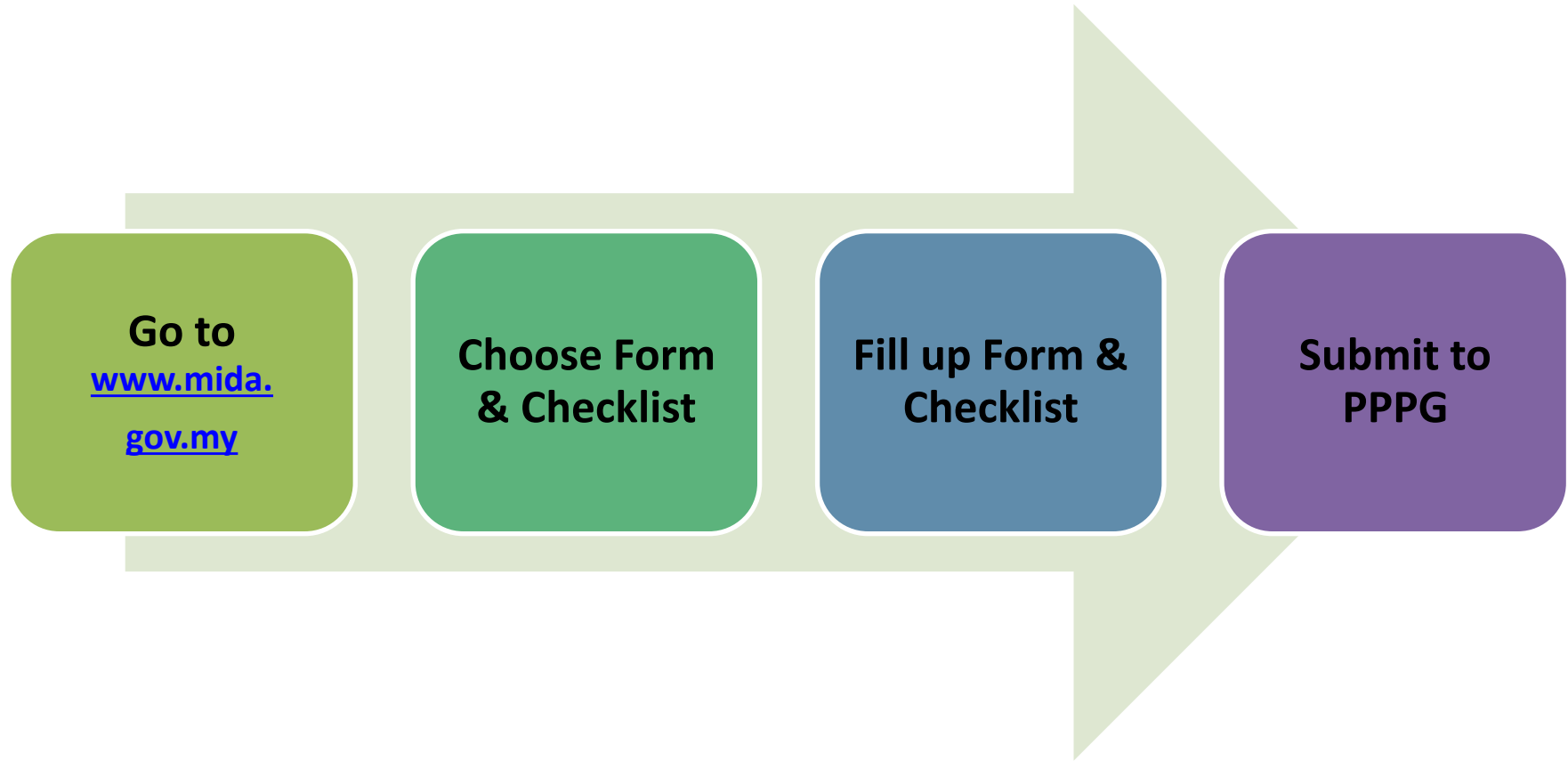


SUBMIT ANNUAL COMPLIANCE REPORT

1. Company to submit the Annual Compliance Report to MIDA and IRB for each year of assessment during the effective incentive period.
2. Reporting Format 

1. **Covering letter**
 2. **Declaration Slips – verified by qualified External Auditor**
3. The Annual Compliance Report to be verified by a qualified External Auditor.
4. MIDA to evaluate the Annual Compliance Report:
 - ☐ If all incentive conditions are complied, MIDA will acknowledge the company on the compliance.
 - ☐ If conditions(s) are not complied, MIDA will notify IRB for further action.

HOW TO APPLY POST INCENTIVE APPLICATIONS



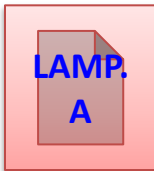
POST LICENSING APPLICATIONS

WHAT IS POST LICENSING?

Company submitted application for Manufacturing License to Industry Division

Manufacturing License application processed by Industry Division and approved by MITI

Issuance of Manufacturing License Certificate to the company



Applications submitted to MIDA (from companies) that related to Manufacturing License and conditions **after the issuance of Manufacturing License certificate** such as :

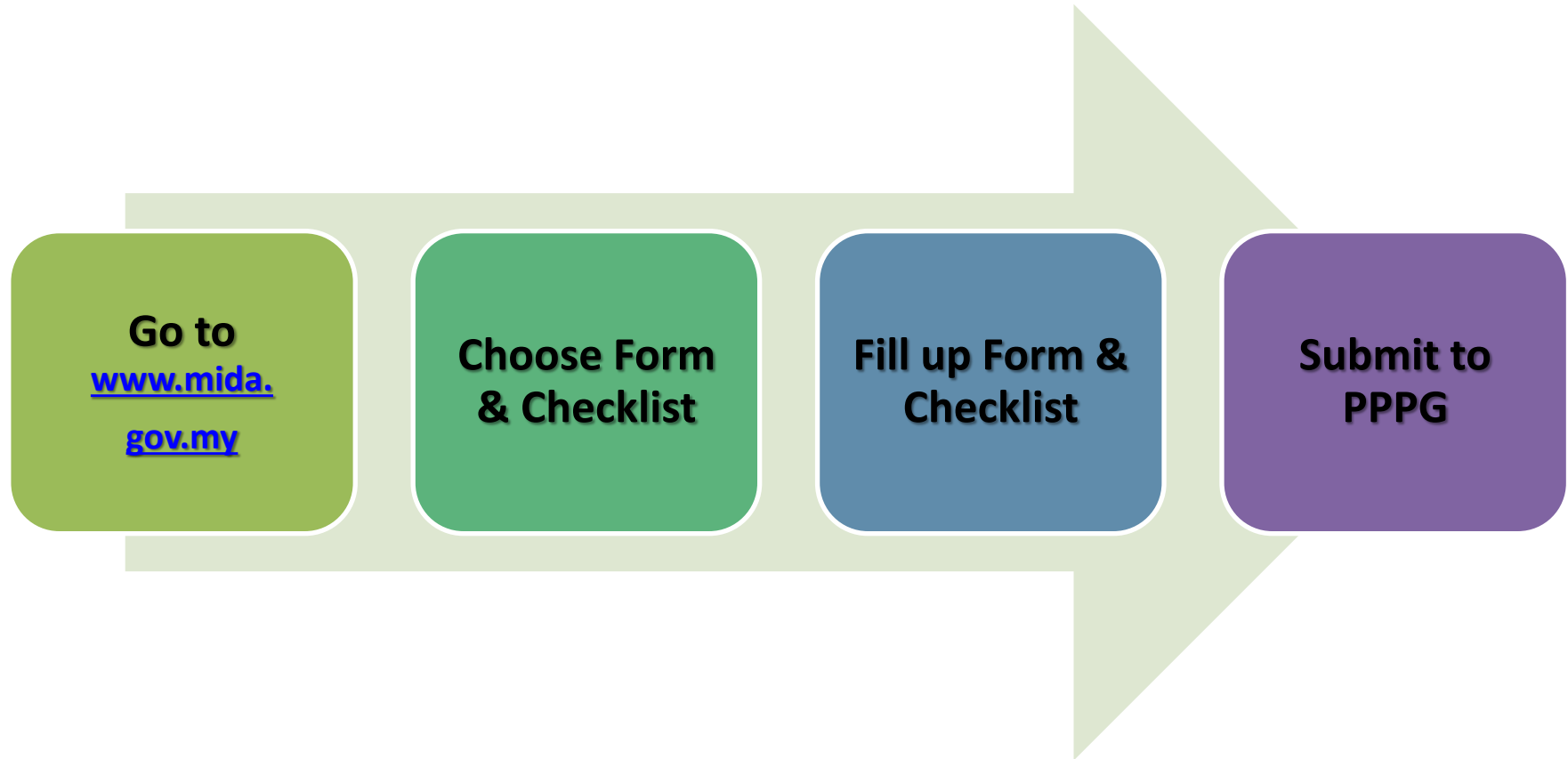
- Change of company name
- Amendment of factory address / location
- Change of factory location
- Consolidation of Manufacturing Licenses
- Duplication of Manufacturing License
- Updating conditions in Manufacturing License
- Deferment of project implementation
- Surrender of Manufacturing License
- Cancellation of Manufacturing License
- Waiver of equity conditions
- Transfer of shares

POST LICENSING APPLICATIONS

LIST OF APPLICATIONS	
1	Change of company name in Manufacturing License (ML)
2	Amendment of factory address / location in ML
3	Change of factory location in ML
4	Consolidation of ML
5	Duplication of ML
6	Surrender at interim approval of ML
7	Cancellation at interim approval of ML
8	Surrender after issuance of ML
9	Cancellation after issuance of ML

10	Reversal of cancellation of ML (before gazette)
11	Application for updating of ML conditions
12	Deferment of project implementation
13	Issuance of Licence (for item 1, 2, 3, 4 & 5)
14	Transfer of shares
15	Amendment and relaxation of equity condition
16	Waiver of equity condition
17	Change of Board of Director

HOW TO APPLY POST LICENSING APPLICATIONS





THANK YOU