



LAWS OF MALAYSIA

Act A1718

SALES TAX (AMENDMENT) ACT 2024

Date of Royal Assent	11 September 2024
Date of publication in the <i>Gazette</i>	25 September 2024

LAWS OF MALAYSIA

Act A1718

SALES TAX (AMENDMENT) ACT 2024

An Act to amend the Sales Tax Act 2018.

[]

ENACTED by the Parliament of Malaysia as follows:

Short title and commencement

1. (1) This Act may be cited as the Sales Tax (Amendment) Act 2024.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette*.

Amendment of section 2

2. The Sales Tax Act 2018 [Act 806], which is referred to as the “principal Act” in this Act, is amended in subsection 2(1)—

- (a) in the definition of “designated areas”, by substituting for the words “and Pangkor” the words “, Pangkor and Pulau 1”; and

- (b) by inserting the after definition of “petroleum” the following definition:

‘ “Pulau 1” has the meaning assigned to it under subsection 2(1) of the Customs Act 1967;’.

Amendment of section 49

3. Section 49 of the principal Act is amended—

- (a) by renumbering the existing section as subsection (1);
and
- (b) by inserting after the renumbered subsection (1) the following subsection:

“(2) In the case of Pulau 1, this Act shall apply to any taxable goods manufactured in Pulau 1, other than any goods which the Minister may declare by order published in the *Gazette*.”.

New section 49A

4. The principal Act is amended by inserting after section 49 the following section:

“Retail trade in Pulau 1

49A. (1) No person shall sell by retail any goods declared by the Minister under paragraph 50(2)(a) in Pulau 1 without approval of the Minister.

(2) An application for the approval under subsection (1) shall be made in the manner as prescribed by the Minister in the regulations.

(3) Any person who contravenes this section commits an offence and shall, on conviction, be liable to a fine not exceeding fifty thousand ringgit or to imprisonment for a term not exceeding three years or to both.”.

Amendment of section 50

5. Section 50 of the principal Act is amended—

- (a) by renumbering the existing section as subsection (1);
- (b) in the renumbered paragraph (1)(a), by inserting after the words “designated areas” wherever appearing the words “other than Pulau 1”; and
- (c) by inserting after the renumbered subsection (1) the following subsection:

“(2) Where the designated area is Pulau 1—

(a) sales tax shall be levied and payable on all goods—

(i) imported into Pulau 1; or

(ii) transported from Malaysia, designated areas or special areas to Pulau 1,

other than goods which the Minister may from time to time declare by order published in the *Gazette*;

(b) sales tax shall be levied and payable on all goods declared by the Minister under paragraph (a) transported from Pulau 1 to Malaysia as if such transportation to Malaysia were importation into Malaysia;

(c) no sales tax shall be levied and payable on any goods declared by the Minister under paragraph (a) transported from Pulau 1 to other designated areas or special areas; and

(d) the sale value of taxable goods liable to sales tax in accordance with paragraph (a) or (b) shall be determined in accordance with subsection 9(2).”.

Amendment of section 54

6. Section 54 of the principal Act is amended by substituting for the words “paragraph 50(*a*)” the words “paragraph 50(1)(*a*) or 50(2)(*a*)”.

Amendment of section 57

7. Section 57 of the principal Act is amended—

(*a*) by renumbering the existing section as subsection (1);
and

(*b*) by inserting after the renumbered subsection (1)
the following subsection:

“(2) Notwithstanding subsection (1), where the designated area under subparagraph (1)(*a*)(iii) is Pulau 1, no sales tax shall be levied and payable on any taxable goods declared by the Minister under paragraph 50(2)(*a*) transported from special areas to Pulau 1.”.