



# ROYAL MALAYSIAN CUSTOMS DEPARTMENT

26 AUGUST 2024

## INCENTIVE ON REMISSION OF PENALTIES AND SURCHARGES FOR GOODS AND SERVICES TAX, TOURISM TAX, SALES TAX, SERVICE TAX AND DEPARTURE LEVY OFFER FOR THE YEAR OF 2024

Aligned with the 'Malaysia Madani' initiative, Royal Malaysian Customs Department (RMCD) is committed to strengthening the economy and supporting the business industry. To further these efforts, RMCD is offering incentives in the form of penalty and surcharge remission to encourage business entities to make payments promptly.

### ELIGIBILITY FOR PENALTY AND SURCHARGE REMISSION INCENTIVES FOR 2024

1. Bill of Demand (BOD) for the tax period ending on or before 31 December 2023.
2. Tax, penalty, and surcharge payments must be made between 26 August 2024 and 31 December 2024.
3. The calculation of payments and remission granted is based on each tax period. Outstanding amount owed by company are categorized into three (3) categories as outlined in Table A below:

**Table A : Categories of Outstanding Payments and Applicable Incentive Rates**

OUTSTANDING CATEGORIES	PAYMENT RECEIVED 26 AUG – 31 DEC 2024		REMISSION PENALTY/ SURCHARGE
	TAX	PENALTY/ SURCHARGE	
1. Tax, penalty and surcharge	100%	0%	100%
2. Tax and penalty/ surcharge	100%	0%	100%
3. Penalty/ surcharge	0%	15%	85%



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4. This incentive program also extend to companies that have been granted with installment approvals, provided they meet the conditions outlined in the table above.
5. For companies that have made settlement payments, including payments through offsetting and other settlement methods before 26 August 2024, no tax refunds or penalty/surcharge remission will be allowed.
6. This incentive does not apply to applications for penalty/surcharge remission for cases that are eligible for full remission approval, such as penalties/surcharges arising from technical issues, amendments to output tax from recovered bad debts, retention sums, and penalties/surcharges on tax approved for remission by the Ministry of Finance.

For any enquiry related to Foreign Registered Person under this program, kindly email to ABT Headquarter of RMCD : [abt.hq@customs.gov.my](mailto:abt.hq@customs.gov.my)