



# **LAWS OF MALAYSIA**

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**REPRINT**

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**Act 557**

## **FINANCE ACT 1997**

*Incorporating all amendments up to 1 January 2006*

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# LAWS OF MALAYSIA

## Act 557

### FINANCE ACT 1997

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#### ARRANGEMENT OF SECTIONS

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##### CHAPTER I

##### PRELIMINARY

##### Section

1. Short title
2. Amendments and repeal

##### CHAPTER II

##### AMENDMENTS TO THE INCOME TAX ACT 1967

3. Commencement of amendments to the Income Tax Act 1967
4. Amendment of section 2
5. Amendment of section 4A
6. Amendment of section 13
7. Amendment of section 15A
8. Amendment of section 34
9. Amendment of section 39
10. Amendment of section 44
11. Amendment of section 46
12. Amendment of section 49
13. Amendment of section 60G
14. New section 60H
15. Amendment of section 83

## Section

16. Amendment of section 103
17. Amendment of section 107A
18. Amendment of section 109
19. Amendment of section 109B
20. Amendment of section 136
21. Amendment of Schedule 1
22. Amendment of Schedule 3
23. Amendment of Schedule 6
24. Amendment of Schedule 7A

## CHAPTER III

AMENDMENTS TO THE PETROLEUM (INCOME TAX)  
ACT 1967

25. Commencement of amendments to the Petroleum (Income Tax) Act 1967
26. Amendment of section 2
27. Amendment of section 16
28. Amendment of section 22
29. Amendment of section 69
30. Amendment of section 70
31. Amendment of section 71

## CHAPTER IV

AMENDMENTS TO THE REAL PROPERTY GAINS  
TAX ACT 1976

32. Commencement of amendments to the Real Property Gains Tax Act 1976
33. Amendment of section 2
34. Amendment of section 45
35. Amendment of section 46
36. Amendment of section 47
37. Amendment of section 54
38. Amendment of Schedule 2

CHAPTER V

AMENDMENT TO THE LABUAN OFFSHORE BUSINESS  
ACTIVITY TAX ACT 1990

Section

- 39. Commencement of amendment to the Labuan Offshore Business Activity Tax Act 1990
- 40. Amendment of section 2

CHAPTER VI

AMENDMENTS TO THE SERVICE TAX ACT 1975

- 41. Commencement of amendments to the Service Tax Act 1975
- 42. Amendment of section 2
- 43. Amendment of section 3
- 44. Amendment of section 14

CHAPTER VII

AMENDMENT TO THE SALES TAX ACT 1972

- 45. Commencement of amendment to the Sales Tax Act 1972
- 46. New section 2B

CHAPTER VIII

AMENDMENT TO THE CUSTOMS ACT 1967

- 47. Commencement of amendment to the Customs Act 1967
- 48. Amendment of section 65

CHAPTER IX

AMENDMENTS TO THE FREE ZONES ACT 1990

- 49. Commencement of amendments to the Free Zones Act 1990
- 50. Amendment of section 2
- 51. Amendment of section 5
- 52. New section 6A
- 53. Amendment of section 8
- 54. Amendment of section 9

## Section

- 55. Amendment of section 10
- 56. Amendment of section 11
- 57. Amendment of section 12
- 58. Amendment of section 13
- 59. Amendment of section 30

## CHAPTER X

REPEAL OF THE CINEMATOGRAPH FILM-HIRE DUTY  
ACT 1965

- 60. Commencement of the repeal of the Cinematograph Film-Hire Duty Act 1965
- 61. Repeal

## LAWS OF MALAYSIA

### Act 557

### FINANCE ACT 1997

An Act to amend the Income Tax Act 1967, the Petroleum (Income Tax) Act 1967, the Real Property Gains Tax Act 1976, the Labuan Offshore Business Activity Tax Act 1990, the Service Tax Act 1975, the Sales Tax Act 1972, the Customs Act 1967 and the Free Zones Act 1990, and to repeal the Cinematograph Film-Hire Duty Act 1965.

[ ]

**BE IT ENACTED** by the Seri Paduka Baginda Yang Di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

#### CHAPTER I

#### PRELIMINARY

##### **Short title**

1. This Act may be cited as the Finance Act 1997.

##### **Amendments and repeal**

2. (1) The Income Tax Act 1967 [*Act 53*], the Petroleum (Income Tax) Act 1967 [*Act 543*], the Real Property Gains Tax Act 1976 [*Act 169*], the Labuan Offshore Business Activity Tax Act 1990 [*Act 445*], the Service Tax Act 1975 [*Act 151*], the Sales Tax Act 1972 [*Act 64*], the Customs Act 1967 [*Act 235*] and the Free Zones Act 1990 [*Act 438*] are amended in the manner specified in Chapters II, III, IV, V, VI, VII, VIII and IX respectively.

- (2) The Cinematograph Film-Hire Duty Act 1965 [*Act 434*] is repealed in the manner specified in Chapter X.

## CHAPTER II

## AMENDMENTS TO THE INCOME TAX ACT 1967

**Commencement of amendments to the Income Tax Act 1967**

**3.** (1) Except for paragraphs 4(*a*), 4(*b*), 19(*a*) and 19(*b*) and sections 5, 7, 15, 16, 17, 18, 20 and 21, this Chapter shall have effect for the year of assessment 1997 and subsequent years of assessment.

(2) Paragraphs 4(*a*) and 19(*b*) and sections 16, 17 and 18 shall be deemed to have come into force on 25 October 1996.

(3) Paragraphs 4(*b*) and 19(*a*) and sections 5, 7, 15 and 21 shall come into force on 1 January 1997.

(4) Section 20 shall be deemed to have come into force on 2 August 1996.

**Amendment of section 2**

**4.** The Income Tax Act 1967 [*Act 53*], which in this Chapter is referred to as the “principal Act”, is amended in subsection 2(1)—

(*a*) in the definition of “approved loan” by inserting after the words “a person” in paragraph (*b*) the words “pursuant to an application received prior to 25 October 1996”; and

(*b*) in the definition of “royalty” by substituting for subparagraph (*a*)(i) the following subparagraph:

“(i) copyrights, artistic or scientific works, patents, designs or models, plans, secret processes or formulae, trademarks, or tapes for radio or television broadcasting, motion picture films, films or video tapes or other means of reproduction where such films or tapes have been or are to be used or reproduced in Malaysia or other like property or rights;”.



**Amendment of section 4A**

5. Paragraph 4A(iii) of the principal Act is amended by deleting the words “, not being payments of film rentals, where the duty is leviable under the Cinematograph Film-Hire Duty Act 1965,”.

**Amendment of section 13**

6. Subparagraph 13(1)(b)(i) of the principal Act is amended by inserting after the words “dental treatment” the words “or a benefit for child care”.

**Amendment of section 15A**

7. Paragraph 15A(c) of the principal Act is amended by deleting the words “, not being payments of film rentals, where the duty is leviable under the Cinematograph Film-Hire Duty Act 1965,”.

**Amendment of section 34**

8. Subsection 34(6) of the principal Act is amended—

- (a) in paragraph (f) by deleting the word “and” at the end of the paragraph;
- (b) in paragraph (g) by substituting for the full stop at the end of the paragraph a semicolon; and
- (c) by inserting after paragraph (g) the following paragraphs:
  - “(h) an amount equal to the expenditure incurred by the relevant person in the relevant period on the provision of services, public amenities and contributions to a charity or community project pertaining to education, health, housing and infrastructure, approved by the relevant authority:

Provided that where a deduction has been made under this paragraph, no further deduction of the same amount shall be allowed under subsection 44(6);

- (i) an amount equal to the expenditure incurred, not being capital expenditure on land, premises, buildings, structures or works of a permanent nature or on alterations, additions or extensions thereof or in the acquisition of any rights in or over any property, by the relevant person in the relevant period on the provision and maintenance of a child care centre for the benefit of persons employed by him in his business; and
- (j) an amount equal to the expenditure incurred by the relevant person in the relevant period in establishing and managing a musical or cultural group approved by the Minister.”.

### **Amendment of section 39**

#### **9. Subsection 39(1) of the principal Act is amended—**

- (a) in paragraph (f) by substituting for the semicolon at the end of the paragraph a colon and inserting thereafter the following proviso:

“Provided that this paragraph shall not apply if the payer has paid the amount referred to in subsection (2) of that section.”;

- (b) in paragraph (i) by substituting for the semicolon at the end of the paragraph a colon and inserting thereafter the following proviso:

“Provided that this paragraph shall not apply if the payer has paid the amount referred to in subsection (2) of that section.”; and

- (c) in paragraph (j) by substituting for the semicolon at the end of the paragraph a colon and inserting thereafter the following proviso:

“Provided that this paragraph shall not apply if the payer has paid the amount referred to in subsection (2) of that section.”.

**Amendment of section 44****10.** Section 44 of the principal Act is amended—

- (a) in paragraph (1)(c) by inserting after the words “(6)” the words “or (6A)”;
- (b) by inserting after subsection (6) the following subsection:

“(6A) There shall be deducted pursuant to this subsection from the aggregate income of a person for the relevant year reduced by any deduction falling to be made for that year pursuant to subsection (2) or Schedule 4, 4A or 4B, an amount equal to the value, as determined by the Department of Museum and Antiquities or the National Archives of any gift of artefact or manuscript made by him in the basis year for that year to the Government or State Government.”; and

- (c) in subsection (7) in the definition of “institution” by substituting for paragraph (f) the following paragraph:

“(f) a technical or vocational training institution;”.

**Amendment of section 46****11.** Section 46 of the principal Act is amended—

- (a) by renumbering the existing section 46 as subsection 46(1);
- (b) in paragraph (e) by deleting the word “and” at the end of the paragraph;
- (c) in paragraph (f) by substituting for the full stop at the end of the paragraph the words “; and”;
- (d) by inserting after paragraph (f) the following paragraph:

“(g) an amount limited to a maximum of five thousand ringgit in respect of medical expenses expended in that basis year by that individual on himself if he is suffering from a serious disease or on his wife or child who is suffering from a serious disease, or in the case of a wife, on herself if she

is suffering from a serious disease or on her husband or child who is suffering from a serious disease:

Provided that the claim is evidenced by a receipt and certification issued by a medical practitioner that treatment was provided to the individual, spouse or child for that disease:

Provided further that where the wife has no total income the total deduction under this paragraph shall not exceed five thousand ringgit.”; and

(e) by inserting after subsection (1) the following subsection:

“(2) In paragraph (1)(g)—

“child” shall be construed as referring to a child as defined in subsection 48(9);

“serious disease” includes acquired immunity deficiency syndrome, Parkinson’s disease, cancer, renal failure, leukaemia and other similar diseases.”.

### **Amendment of section 49**

**12.** Section 49 of the principal Act is amended by substituting for subsection (2) the following subsection:

“(2) For the purposes of subsection (1), no regard shall be had to any contribution to an approved scheme unless the contribution was obligatory by reason of—

- (a) any contract of employment of the individual claiming a deduction in respect of the contribution; or
- (b) any provision in the rules, regulations, by-laws or constitution of the scheme,

and, where the contribution was partly obligatory by reason of such a contract or provision and partly not so obligatory, regard shall be had only to the part which was so obligatory.”.

### **Amendment of section 60G**

**13.** Subsection 60G(6) of the principal Act is amended by substituting for the definition of “foreign fund management company” the following definition:

“foreign fund management company” means a company incorporated in Malaysia and licensed under the Securities Industry Act 1983 [Act 280];’.

### **New section 60H**

**14.** The principal Act is amended by inserting after section 60G the following section:

#### **“Closed-end fund company**

**60H.** (1) This section shall apply to a closed-end fund company resident in Malaysia for the basis year for a year of assessment.

(2) Where a closed-end fund company receives an amount in respect of gains from the realization of investments in the basis period for a year of assessment such amount shall be exempt from tax for that year of assessment.

(3) Paragraphs 5 and 6 of Schedule 7A shall apply, *mutatis mutandis*, to the amount exempted under subsection (2) and paragraph 35 of Schedule 6 (where applicable).

(4) In ascertaining the total income of a closed-end fund company for the basis period for a year of assessment there shall be deducted before any deduction falling to be made under paragraph 44(1)(c) an amount in respect of expenses incurred by that closed-end fund company during that period, which amount shall be determined in accordance with the formula

$$\frac{A \times B}{4C}$$

where A is the total of the permitted expenses incurred for that basis period;

B is the gross income consisting of dividend and interest chargeable to tax for that basis period; and

C is the aggregate of the gross income consisting of dividend and interest (whether exempt or not) and gains made from the realization of investments (whether chargeable to tax or not) for that basis period:

Provided that—

- (a) the amount of deduction to be made shall not be less than ten per cent of the total permitted expenses incurred for that basis period; and
- (b) where, by reason of an absence or insufficiency of aggregate income for that year of assessment, effect cannot be given or cannot be given in full to any deduction falling to be made to the closed-end fund company under this section for that year, that deduction which has not been so made shall not be made to the closed-end fund company for any subsequent year of assessment.

(5) For the purposes of this section —

“closed-end fund company” means a public limited company incorporated in Malaysia and approved by the Securities Commission to engage wholly in the investment of funds in securities;

“permitted expenses” means expenses incurred by a closed-end fund company in respect of—

- (a) manager’s remuneration;
- (b) maintenance of register of shareholders;
- (c) share registration expenses;
- (d) secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage;

“securities” means debentures, stocks and shares in a public company or corporation, or bonds of any government or any body corporate or unincorporate and includes any right or option in respect thereof and any interest in unit trust schemes.

(6) Sections 33 and 34 shall not apply to a closed-end fund company.”.

**Amendment of section 83**

**15.** Subsection 83(3) of the principal Act is amended by substituting for the full stop at the end of the proviso a colon and inserting the following further proviso:

“Provided further that an employer shall not be required to give the written notice under this subsection in respect of an individual—

- (a) where the income from the employment of that individual is subject to deduction under any rules made pursuant to paragraph 154(1)(a); or
- (b) where the total monthly remuneration from the employment of that individual is below the minimum amount of income that is subject to deduction under any rules made pursuant to paragraph 154(1)(a),

and where it is known to him that the individual is not retiring from any employment.”.

**Amendment of section 103**

**16.** Subsection 103(7) of the principal Act is amended by deleting the words “107A(2) or” and “or 109(2) or 109B(2)”.

**Amendment of section 107A**

**17.** Section 107A of the principal Act is amended by substituting for subsection (2) the following subsection:

“(2) Where the payer fails to pay any amount due from him under subsection (1), that amount which he fails to pay shall be increased by an amount equal to ten per cent of the contract payment liable to deduction of tax under subsection (1) and the total sum shall be a debt due from him to the Government and shall be payable forthwith to the Director General.”.

**Amendment of section 109**

**18.** Section 109 of the principal Act is amended by substituting for subsection (2) the following subsection:

“(2) Where the payer fails to pay any amount due from him under subsection (1), that amount which he fails to pay shall be increased by an amount equal to ten per cent of the interest or royalty liable to deduction of tax under subsection (1) and the total sum shall be a debt due from him to the Government and shall be payable forthwith to the Director General.”.

**Amendment of section 109B**

**19.** Section 109B of the principal Act is amended—

- (a) in paragraph (1)(c) by deleting the words “, not being payments of film rentals, where the duty is leviable under the Cinematograph Film-Hire Duty Act 1965,”; and
- (b) by substituting for subsection (2) the following subsection:

“(2) Where the payer fails to pay any amount due from him under subsection (1), that amount which he fails to pay shall be increased by an amount equal to ten per cent of the payments liable to deduction of tax under paragraph (1)(a), (1)(b) or (1)(c) and the total sum shall be a debt due from him to the Government and shall be payable forthwith to the Director General.”.

**Amendment of section 136**

**20.** Subsection 136(8) of the principal Act is amended by inserting after the words “to that officer” the words “or employee”.

**Amendment of Schedule 1**

**21.** Part V of Schedule 1 to the principal Act is amended in paragraph (iii) by deleting the words “, not being payments of film rentals, where the duty is leviable under the Cinematograph Film-Hire Duty Act 1965”.



**Amendment of Schedule 3**

**22.** Schedule 3 to the principal Act is amended in subparagraph 42A(1) by substituting for the words “business of manufacturing” the words “manufacturing, hotel or tourism business or an approved service project under Schedule 7B.”.

**Amendment of Schedule 6**

**23.** Schedule 6 to the principal Act is amended—

(a) in subsubparagraph 12(1)(b) by substituting for the words “five hundred thousand ringgit” the words “seven hundred and fifty thousand ringgit”;

(b) by inserting after paragraph 32B the following paragraph:

“32C. Income of an individual resident in Malaysia in that basis year in respect of his performances in cultural performances approved by the Minister:

Provided that the exemption shall not apply where the payment arises to the individual as part of his emoluments in the exercise of his official duties.”; and

(c) in subparagraph 35(c) by inserting after the words “Rating Agency Malaysia Berhad” the words “or Malaysian Rating Corporation Berhad”.

**Amendment of Schedule 7A**

**24.** Schedule 7A to the principal Act is amended—

(a) in subparagraph 5(1) by substituting for the word “As” at the beginning of the subparagraph the words “In the case of a company as”; and

(b) by inserting after paragraph 9 the following paragraph:

“10. Except for paragraphs 1 and 5, this Schedule shall also apply to an agrobased co-operative society (within the meaning assigned to it under the Farmers’ Organization Act 1973 [*Act 109*]), an Area Farmers’ Association, a National Farmers’ Association, a State Farmers’ Association (within the meanings assigned to

them under the Farmers' Organization Act 1973 [Act 109]), an Area Fishermen's Association, a National Fishermen's Association and a State Fishermen's Association (within the meanings assigned to them under the Fishermen's Associations Act 1971 [Act 44])."

### CHAPTER III

#### AMENDMENTS TO THE PETROLEUM (INCOME TAX) ACT 1967

##### **Commencement of amendments to the Petroleum (Income Tax) Act 1967**

**25.** (1) Except for sections 26, 29, 30 and 31, this Chapter shall have effect for the year of assessment 1997 and subsequent years of assessment.

(2) Sections 26, 29, 30 and 31 shall be deemed to have come into force on 2 August 1996.

##### **Amendment of section 2**

**26.** The Petroleum (Income Tax) Act 1967, which in this Chapter is referred to as the "principal Act", is amended in subsection 2(1) by inserting after the definition of "entertainment" the following definition:

““Inland Revenue Board of Malaysia” means the Inland Revenue Board of Malaysia established under the Inland Revenue Board of Malaysia Act 1995 [Act 533];”.

##### **Amendment of section 16**

**27.** Section 16 of the principal Act is amended by inserting after subsection (7A) the following subsections:

“(7B) There shall be deducted from the relevant gross income an amount equal to the amount of expenditure incurred by the relevant chargeable person in the relevant period on the provision of services, public amenities and contributions to a charity or community project pertaining to education, health, housing and infrastructure, approved by the relevant authority:

Provided that where a deduction has been made under this paragraph, no further deduction of the same amount shall be allowed under subsection 22(1).

(7C) There shall be deducted from the relevant gross income an amount equal to the expenditure incurred not being capital expenditure on land, premises, buildings, structures or works of a permanent nature or on alterations, additions or extensions thereof or in the acquisition of any rights in or over any property, by the relevant chargeable person in the relevant period on the provision and maintenance of a child care centre for the benefit of persons employed by him in his business.

(7D) There shall be deducted from the relevant gross income an amount equal to the amount of expenditure incurred by the relevant chargeable person in the relevant period in establishing and managing a musical or cultural group approved by the Minister.”.

### **Amendment of section 22**

**28.** Section 22 of the principal Act is amended by inserting after subsection (1) the following subsection:

“(1A) The chargeable income of a chargeable person for a year of assessment shall consist of the amount of his assessable income for that year reduced by an amount equal to the value, as determined by the Department of Museums and Antiquities or the National Archives, of any gift of artefact or manuscript made by him in the basis period for that year of assessment to the Government or State Government.”.

### **Amendment of section 69**

**29.** Section 69 of the principal Act is amended—

- (a) in subsection (5) by inserting after the words “public officer” the words “or any employee of the Inland Revenue Board of Malaysia”;
- (b) in subsection (6) by inserting after the words “public officer” the words “or an employee of the Inland Revenue Board of Malaysia”; and
- (c) in subsection (8) by inserting after the words “public officer” the words “or an employee of the Inland Revenue Board of Malaysia” and after the words “to that officer” the words “or employee”.

**Amendment of section 70**

**30.** Subsection 70(2) of the principal Act is amended by inserting after the words “public officer” the words “or an employee of the Inland Revenue Board of Malaysia.”.

**Amendment of section 71**

**31.** Subsection 71(5) of the principal Act is amended in the definition of “classified person”—

(a) by deleting the word “or” at the end of paragraph (b);

(b) by inserting the word “or” at the end of paragraph (c);  
and

(c) by inserting after paragraph (c) the following paragraph:

“(d) any employee of the Inland Revenue Board of Malaysia;”.

**CHAPTER IV****AMENDMENTS TO THE REAL PROPERTY GAINS  
TAX ACT 1976****Commencement of amendments to the Real Property Gains  
Tax Act 1976**

**32.** (1) Except for sections 33, 34, 35, 36 and 37, this Chapter shall be deemed to have come into force on 25 October 1996.

(2) Sections 33, 34, 35, 36 and 37 shall be deemed to have come into force on 2 August 1996.

**Amendment of section 2**

**33.** The Real Property Gains Tax Act 1976 [*Act 169*], which in this Chapter is referred to as the “principal Act”, is amended in subsection 2(1) by inserting after the definition of “income tax law” the following definition:

“Inland Revenue Board of Malaysia” means the Inland Revenue Board of Malaysia established under the Inland Revenue Board of Malaysia Act 1995 [*Act 533*];’ .

**Amendment of section 45**

**34.** Section 45 of the principal Act is amended—

- (a) in subsection (5) by inserting after the words “public officer” the words “or an employee of the Inland Revenue Board of Malaysia”;
- (b) in subsection (6) by inserting after the words “public officer” the words “or an employee of the Inland Revenue Board of Malaysia”; and
- (c) in subsection (8) by inserting after the words “public officer” the words “or an employee of the Inland Revenue Board of Malaysia” and after the words “to that officer” the words “or employee”.

**Amendment of section 46**

**35.** Subsection 46(2) of the principal Act is amended by inserting after the words “public officer” the words “or an employee of the Inland Revenue Board of Malaysia”.

**Amendment of section 47**

**36.** Subsection 47(5) of the principal Act is amended in the definition of “classified person”—

- (a) by deleting the word “or” at the end of paragraph (c);
- (b) by inserting the word “or” at the end of paragraph (d); and
- (c) by inserting after paragraph (d) the following paragraph:
  - “(e) any employee of the Inland Revenue Board of Malaysia;”.

**Amendment of section 54**

**37.** Section 54 of the principal Act is amended by inserting after the words “public officer” the words “or employee of the Inland Revenue Board of Malaysia”.

**Amendment of Schedule 2**

**38.** Schedule 2 to the principal Act is amended—

- (a) in subparagraph 1(1) in the definition of “relative” by deleting the words “uncle, aunt, nephew, niece, cousin,”;
- (b) in subsubparagraph 15(1)(a) by substituting for the word “an” the words “a written”; and
- (c) in subsubparagraph 15(1)(b) by inserting after the words “where there is no” the word “written”.

**CHAPTER V****AMENDMENT TO THE LABUAN OFFSHORE BUSINESS  
ACTIVITY TAX ACT 1990****Commencement of amendment to the Labuan Offshore Business  
Activity Tax Act 1990**

**39.** This Chapter shall have effect for the year of assessment 1997 and subsequent years of assessment.

**Amendment of section 2**

**40.** The Labuan Offshore Business Activity Tax Act 1990 [*Act 445*] is amended in subsection 2(1) by substituting for the definition of “offshore trust” the following definition:

‘ “offshore trust” has the meaning assigned thereto by the Labuan Offshore Trusts Act 1996 [*Act 554*];’.

**CHAPTER VI****AMENDMENTS TO THE SERVICE TAX ACT 1975****Commencement of amendments to the Service Tax Act 1975**

**41.** This Chapter shall be deemed to have come into force on 25 October 1996.

**Amendment of section 2**

**42.** The Service Tax Act 1975 [*Act 151*], which in this Chapter is referred to as the “principal Act”, is amended in section 2 by inserting after the definition of “electronic data interchange” the following definition:

‘ “exported taxable service” means service supplied for and to a person in a country other than Malaysia (excluding Langkawi, Labuan and free zones), provided that the service is not supplied in connection with goods or land situated in Malaysia and the person is not in Malaysia at the time the service is performed;’.

**Amendment of section 3**

**43.** Section 3 of the principal Act is amended by substituting for paragraph (a) the following paragraph:

“(a) any prescribed service (hereafter in this Act referred to as “taxable service”) provided by or in—

(i) any prescribed professional establishment; or

(ii) any prescribed establishment,

except for exported taxable service;”.

**Amendment of section 14**

**44.** Subsection 14(2) of the principal Act is amended by substituting for the word “six” wherever appearing the word “twelve”.

**CHAPTER VII****AMENDMENT TO THE SALES TAX ACT 1972****Commencement of amendment to the Sales Tax Act 1972**

**45.** This Chapter shall be deemed to have come into force on 25 October 1996.

**New section 2B**

**46.** The Sales Tax Act 1972 [*Act 64*] is amended by inserting after section 2A the following section:

**“Licensed warehouse and licensed manufacturing warehouse deemed outside Malaysia**

**2B.** For the purpose of this Act, a licensed warehouse and a licensed manufacturing warehouse shall be deemed to be a place outside Malaysia.

In this section, the expression “a licensed manufacturing warehouse” means a licensed warehouse in respect of which an additional licence to carry on any manufacturing process has been granted under section 65A of the Customs Act 1967 [*Act 235*].”.

## CHAPTER VIII

### AMENDMENT TO THE CUSTOMS ACT 1967

#### **Commencement of amendment to the Customs Act 1967**

**47.** This Chapter shall be deemed to have come into force on 25 October 1996.

#### **Amendment of section 65**

**48.** The Customs Act 1967 [*Act 235*] is amended in subsection 65(1) by inserting after the words “goods liable to customs duties” the words “and any other goods”.

## CHAPTER IX

### AMENDMENTS TO THE FREE ZONES ACT 1990

#### **Commencement of amendments to the Free Zones Act 1990**

**49.** This Chapter shall be deemed to have come into force on 25 October 1996.



**Amendment of section 2**

**50.** The Free Zones Act 1990 [*Act 438*], which in this Chapter is referred to as the “principal Act”, is amended in subsection 2(1) by substituting for the definition of “commercial activity” the following definition:

‘ “commercial activity” includes trading (excluding retail trade), breaking bulk, grading, repacking, relabelling and transit;’.

**Amendment of section 5**

**51.** Paragraph 5(2)(c) of the principal Act is amended by inserting after the word “package” the words “or otherwise”.

**New section 6A**

**52.** The principal Act is amended by inserting after section 6 the following section:

**“Retail trade in free zone**

**6A.** The Minister may, at his absolute discretion, authorize any retail trade to be conducted in a free zone and the Minister may in relation to such authorization impose such conditions as he may deem fit.”.

**Amendment of section 8**

**53.** Section 8 of the principal Act is amended by deleting subsections (2) and (3).

**Amendment of section 9**

**54.** Section 9 of the principal Act is amended by inserting after the word “5” the words “, 6A”.

**Amendment of section 10**

**55.** Section 10 of the principal Act is amended by substituting for subsection (3) the following subsection:

“(3) Notwithstanding anything to the contrary in any written law, the Minister may allow any activity to be carried out in a free zone subject to such conditions as he may deem fit to impose.”

**Amendment of section 11**

**56.** Section 11 of the principal Act is amended—

- (a) in subsection (1) by deleting the words “and are approved by the Minister”; and
- (b) by substituting for subsection (2) the following subsection:

“(2) The Minister may, in any particular case, allow goods, other than those referred to in subsection (1), to be brought into a free industrial zone for any activity as he may approve and subject to such conditions as he may deem fit to impose.”.

**Amendment of section 12**

**57.** Subsection 12(1) of the principal Act is amended by deleting the words “for retail trade or otherwise”.

**Amendment of section 13**

**58.** Subsection 13(1) of the principal Act is amended by inserting after the word “maintain” the words “or allow”.

**Amendment of section 30**

**59.** Paragraph 30(a) of the principal Act is amended by inserting after the word “5” the words “, 6A”.

**CHAPTER X****REPEAL OF THE CINEMATOGRAPH FILM-HIRE DUTY  
ACT 1965****Commencement of the repeal of the Cinematograph Film-Hire  
Duty Act 1965**

**60.** This Chapter shall come into force on 1 January 1997.

**Repeal**

**61.** The Cinematograph Film-Hire Duty Act 1965 [*Act 434*] is repealed.

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**LAWS OF MALAYSIA****Act 557****FINANCE ACT 1997****LIST OF AMENDMENTS**

Amending law

Short title

In force from

– NIL –

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**LAWS OF MALAYSIA****Act 557****FINANCE ACT 1997****LIST OF SECTIONS AMENDED**

Section	Amending authority	In force from
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– NIL –

