

# DOING BUSINESS IN MALAYSIA



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- **COST AND NUMBER OF DAYS FOR OPENING A COMPANY-**
  - The reservation of name costs RM30.
  - The registration fee for a company ranges according to nominal share capital (between RM1000 to RM70,000).
  - Typically takes a day (online procedure).
- **COST AND NUMBER OF DAYS FOR CLOSING A COMPANY-**
  - Depending on the company and circumstances, charges range from RM1500 to RM2000.
  - Typically takes 6 to 12 months (subject to SSM approval).
- **COST AND NUMBER OF DAYS FOR REGISTERING PROPERTY-**
  - Different states impose different fees and the amount is dependent on the property value.
  - Typically, takes 2 working days.



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|---|---|
| <b>COUNTRY RISK LEVEL CLASSIFICATION:</b>       | A3 (Moody's rating)   |
| <b>ANNUAL GDP PER CAPITA:</b>                   | USD 10,222 (2015)   |
| <b>TOTAL COUNTRY GDP:</b>                       | USD 298 billion   |
| <b>GDP GROWTH 2016:</b>                         | 4.0 % (2016 Q2)   |
| <b>COUNTRY LEVEL OF SECURITY OF INVESTMENT:</b> | Safe  |
| <b>SPECIAL ZONES IN THE COUNTRY:</b>            | Pasir Gudang, Port Klang, Port Tanjung Pelepas.   |
| <b>RECOMMENDATION FOR INVESTMENT:</b>           | Logging, Smelting, Timber Processing, Medical Technology, Pharmaceuticals, Rubber and Palm Oil Processing, Petroleum Production and Refining. |



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# TAXES IN MALAYSIA

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| <b>TAX RATE-PERSONS:</b>                                   | Graduated rate from 0% to 26%.  |
| <b>TAX RATE-COMPANIES:</b>                                 | 24%   |
| <b>DOUBLE IMPOSITION TREATIES WITH (3 MAIN COUNTRIES):</b> | Many countries - including Singapore, China and Japan.  |
| <b># YEARS FOR LOSSES COMPENSATION:</b>                    | Current period offset – business losses may be set off against income from other sources for that year. Tax losses may be carried forward indefinitely to set off against future business income only, unless the company is dormant and does not satisfy the continuity of ownership test. Losses cannot be carried back, although a limited form of carry back was allowed in circumstances in the 2009 and 2010 years of assessment. |



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|--------------------------|--|
| <b>EXEMPTIONS:</b>       | R & D tax incentive scheme includes tax exemptions and double deductions for certain R & D expenditure incurred in Malaysia. Tax incentives are available in Malaysia for investments promoted products and activities in the manufacturing, agricultural, hotel and tourism industries. The incentives provide for partial or total relief from income tax or an incentive based on capital expenditure, for a duration of five or ten years. |
| <b>TAX ON PROPERTY:</b>  | Individual states and local councils in Malaysia impose a levy rate (land tax) on residents and/or “quit” rent on residents. The amount varies from state to state and/or council to council and is dependent on the value of property and the locality.   |
| <b>TAX ON INTEREST:</b>  | 15%  |
| <b>TAX ON DIVIDENDS:</b> | -  |
| <b>GST</b>               | 6%   |