

LEMBAGA PERKHIDMATAN KEWANGAN LABUAN
(LABUAN FINANCIAL SERVICES AUTHORITY)

Reference No. : 233/2020/ALL
Date : 21 January 2020

Association of Labuan Trust Companies
Association of Labuan Banks
Labuan Investment Banks Group
Labuan International Insurance Association
Labuan International Financial Exchange

Dear Sir/ Madam,

Addition to the Revised Substance Regulations

We refer to the Labuan Business Activity Tax (Requirements for Labuan Business Activity Regulations 2018) [P.U.(A) 392/2018] dated 31 December 2018 in relation to the substantial activity requirements.

2. Subject to the final gazetted regulations on amendments to P.U.(A) 392/2018, Labuan FSA wishes to inform the industry on the following additional business activity under P.U.(A) 392/2018 as approved by the Ministry of Finance.

No.	Labuan entity	Existing Substance Regulations		Revised Substance Regulations	
		FTE	OPEX (RM)	FTE	OPEX (RM)
1.	<u>Other trading entity</u> <i>Labuan entity that carries out administrative, accounting and legal services including backroom processing, payroll services, talent management, agency services, insolvency related services and management services</i>	Nil	Nil	2	50,000

The effective date for the revised regulations is from 1 January 2019.

3. Labuan FSA will continue to inform the market and issue any further circular on new developments relating to the Labuan new tax regime, from time to time. We seek your assistance to disseminate this circular to the members of the associations and any other relevant parties, where necessary. Should you need any clarification, please do not hesitate to contact any of the following officers:

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Yours sincerely,

For and on behalf of
Labuan Financial Services Authority



Erni Marlina Madzlan
Head
Business Policy