

LEMBAGA PERKHIDMATAN KEWANGAN LABUAN
(LABUAN FINANCIAL SERVICES AUTHORITY)

Our Reference : 260/2021/ALL
Date : 9 February 2021

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

Dear Sir,

**Labuan Investment Committee (LIC) Pronouncement 4-2021:
Labuan Business Activity Tax (Requirements for Labuan Business Activity)
2018 (Amendment) Regulations 2020 [P.U.(A) 375/2020]**

We refer to the recent P.U.(A) 375/2020 dated 24 December 2020.

2. As you are aware, pursuant to the revised substantial activity requirements under P.U.(A) 375/2020, the activity under item 6 (and the particulars relating to it) relating to LITC as prescribed under the Labuan Business Activity Tax (Requirements for Labuan Business Activity) Regulations 2018 [P.U.(A) 392/2018] dated 31 December 2018 has been removed.

3. Based on the confirmation made at the LIC Meeting held on 21 January 2021, we would like to inform the market that the substantial activity requirements for LITC as per the earlier P.U.(A) 392/2018 would now be regulated under a separate gazette order which will be gazetted in due course. This announcement is intended to clarify the query raised by Labuan industry players on the deletion of such category under the newly issued P.U.(A) 375/2020.

4. 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 on the above, please do not hesitate to contact the following officers:

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For and on behalf of
Labuan Financial Services Authority



Jaffree Ismail
Director
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