



**LABUAN FINANCIAL SERVICES AUTHORITY  
(LEMBAGA PERKHIDMATAN KEWANGAN LABUAN)**

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Circular No.: 292/2023/ALL  
Date: 21 November 2023

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

Dear Sir/Madam,

**Budget 2024 – Announcement on Implementation of Current Year of Assessment for Labuan Entities taxed under Labuan Business Activity Tax Act 1990**

I refer to the above matter.

Please be informed that, in the 2024 Budget tabled on 13 October 2023, YAB Minister of Finance had agreed that the assessment of tax under the Labuan Business Activity Tax Act 1990 (LBATA) would be amended from “preceding year basis” to “current year basis”.

In line with this proposal, necessary amendments to the income tax assessment system will be incorporated into LBATA. The changes are scheduled to take effect beginning from the year of assessment 2025 (basis year 2025).

To provide more insights into these amendments, detailed information will be shared with industry stakeholders during a special briefing organized by the Inland Revenue Board of Malaysia.

Thank you for your attention to this important update.

For and on behalf of  
Labuan Financial Services Authority



**Jaffree Ismail**  
Director

Business Development and Innovation Department