

## **PROGRAMME OUTLINE for FACILITIES AND TAX INCENTIVES UNDER THE CUSTOMS LEGISLATIONS ((CUSTOMS ACT 1967, FREE ZONE ACT 1990 AND SALES TAX ACT 2018)**

### **DAY 1**

**9.00am to 10.15am**

#### **1. Customs Objectives**

#### **2. Overview of Facilities and Incentives available under the Customs Legislations**

**10.15am to 10.30am**

**Break**

**10.30am to 1.00pm**

#### **3. Exemptions under Licensed Manufacturing Warehouse (LMW)**

- Concepts & Objectives of Licensed Manufacturing Warehouse (LMW)
- Legal Provisions under Section 65 / 65A Customs Act 1967
- Eligibility criteria for LMW and conditions to be complied
- Application & Documentation
- Location & Type of Premises
- Release to domestic market and payment of duty
- Control over premises by customs controlling station
- Farming out / subcontract activities
- Losses by fire, flood & theft
- Procedures as to destruction of waste raw materials and finished good
- Documentation and Compliance

#### **4. Refund of Duty / Tax Under Customs Act and Sales Tax Act**

- Refunds of duty overpaid or erroneously paid under Section 16 Customs Act 1967. and Section 39 Sales Tax Act 2018
- Common reasons for overpayment / erroneous payment
- Conditions to be complied for successful refund claims
- Application for refund & documentation

**1.00pm to 2.00pm**

**Lunch Break**

**2.00pm to 3.30pm**

#### **5. MIDA Exemptions / Treasury Exemptions**

- Legislations
  - Section 14 (2) Customs Act 1967
  - Section 35 (1) Sales Tax Act 2018
- Sectors Eligible for Tax Exemption
- Exemption on Raw Materials / Components and Conditions
- Machinery Equipment Exemptions / Self Declaration
- Procedures as to Destruction of Raw Materials, Components and Waste
- Documentation

## 6. Drawback Claims Under Customs Legislations

- Type of drawback claim and differences
- Drawback claim under Section 93, 99 Customs Act 1967 and Section 40 Sales Tax Act 2018
- Conditions to be complied for a successful drawback claim
- Procedures as to drawback claims & documentation
- Problems associated with drawback claims

**3.30pm to 3.45pm**

**Break**

**3.45pm to 5.00pm**

## 7. Benefits of Free Zones

- Concept of Free Zones
- Types of Free Zones – FIZ and FCZ
- Activities that can be conducted in FIZ and FCZ
- Application to operate inside Free Zones
- Goods allowed inside FIZ and FCZ
- Movement of goods / Transshipment / Transit Procedures
- Documentation Procedures
- Farming out / Subcontract
- Advantages of FCZ to importers / exporters

**DAY 2**

**9.00am to 10.30am**

## 8. Temporary Import / Temporary Export

### 9. Licensed Warehouses

- Section 65 Customs Act 1967
- Concept of Bonded Warehouses and eligibility criteria
- Categories of Bonded Warehouses
- Benefits of Bonded Warehouses
- Procedures & Documentation

10.30am to 10.45am

**Break**

10.45am to 1.00pm

## **10. Exemptions Under Customs Duties (Exemption) Order 2017 / Sales Tax (Exemption from Payment of Tax) Order 2018**

- Application and Procedures related to claiming of import duty and sales tax exemptions under Customs Duties (Exemption) Orders 2017 and Sales Tax (Exemption From Payment of Tax) Order 2018

## **11. Advance Customs Ruling and Its Benefits**

1.00pm to 2.00pm

**Lunch Break**

2.00pm to 3.15pm

## **12. Application For Review / Appeal / Remission of Duty and Tax**

3.15pm to 3.30pm

**Break**

3.30pm to 5.00pm

## **13. Exemptions / Facilities under the Sales Tax Act / Regulations**

- Basic Concept of Sales Tax
- Sales Tax (Persons Exempted from Payment of Tax) Order 2018
  - Schedule A – Exemption for certain class of persons
  - Schedule B – Exemptions for manufacturers of non-taxable goods
  - Schedule C – Exemptions for registered manufacturers
- Sales Tax (Goods Exempted from Sales Tax) Order 2018
- Sales Tax (Exemption from Registration) Order 2018
- Treatment of Special Areas and Designated Areas

## **14. Conclusion**

**\*The above schedule is tentative and subject to the situation during the training dates**