



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

Notification on Revision of the Eligibility Procedure for 20% Stamp Duty Remission for Shariah Compliant Financing Instruments

Issued on: 9 September 2013

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1. Objective

- 1.1 This is to notify on the revision of the eligibility procedure for the remission of 20% stamp duty payable and chargeable on the principal or primary instruments of financing made in accordance with the principles of Shariah, pursuant to the Stamp Duty (Remission) (No. 2) Order 2007 and Stamp Duty (Remission) (No. 2) Order 2009 which validity is applicable for the period of 2 September 2006 until 31 December 2015.
- 1.2 This revision is in view of the regulatory enhancement introduced under the Guidelines on Introduction of New Products issued by Bank Negara Malaysia on 17 October 2011 whereby the approval from Bank Negara Malaysia is no longer a requirement to be met by the financial institutions prior to the offering of new Islamic banking and financial products in the market under the new “launch and file” approach.
- 1.3 With this regulatory enhancement, the eligibility procedure is revisited in order to ensure a smooth process of obtaining stamp duty remission by the financial institutions. Moving forward, direct application on the stamp duty remission shall be made to the Stamp Duty Division, Tax Operations Department, Headquarter, Inland Revenue Board of Malaysia, and the financial institutions are required to include the attestation letters by their respective Shariah Committee confirming that the new product offerings are made in accordance with the Shariah principles endorsed by the Shariah Advisory Council of Bank Negara Malaysia.
- 1.4 Therefore, the Bank Negara Malaysia’s letter dated 16 March 2007 that requires approval letter from Bank Negara Malaysia for the purpose of obtaining the remission of 20% stamp duty is hereby withdrawn.

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2. Applicability

2.1 This notification is applicable to:

- All Islamic banks licensed under the Islamic Financial Services Act 2013; and
- All banks licensed under the Financial Services Act 2013.

3. Implementation Date

3.1 With immediate effect

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4. Appendix – Old Eligibility Procedure



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

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Bilangan Kami :

16 Mac 2007

Presiden
Association of Islamic Banking Institutions Malaysia (AIBIM)
Tingkat 9, Wisma Kraftangan
No. 9, Jalan Tun Perak
50050 Kuala Lumpur

Presiden
Persatuan Bank-bank Dalam Malaysia (ABM)
Tingkat 17 UBN Tower
10 Jalan P Ramlee
50250 Kuala Lumpur

Presiden
Malaysian Investment Banking Association (MIBA)
Box 18 Tingkat 2 East Block
Wisma Selangor Dredging
142-B Jalan Ampang
50450 Kuala Lumpur

Dato'/ Tuan,

Pengecualian tambahan duti setem sebanyak 20 peratus ke atas surat cara pembiayaan kewangan Islam di bawah Bajet 2007

Lanjutan kepada surat kami bertarikh 11 Januari 2007 mengenai perkara di atas, sukacita kami maklumkan bahawa Perintah yang berkaitan iaitu Perintah Duti Setem (Peremitan) (No.2) 2007 [PU(A)85/2007] telahpun diwartakan pada 22 Februari 2007. Dilampirkan sesalinan Perintah tersebut.

2. Sehubungan itu, institusi-institusi kewangan hendaklah memajukan sesalinan kelulusan produk yang berkaitan, sama ada dari Bank Negara Malaysia dan/ataupun Suruhanjaya Sekuriti, bersama-sama surat cara-surat cara berkenaan setiap kali berurusan dengan pihak Pejabat Duti Setem bagi tujuan di atas. Sila maklumkan kepada ahli-ahli persatuan mengenai perkara di atas.

Sekian.

Yang benar,

(Bakarudin Ishak)
Pengarah

Jabatan Perbankan Islam & Takaful

10/70/30

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STAMP ACT 1949

STAMP DUTY (REMISSION) (No. 2) ORDER 2009

IN exercise of the powers conferred by subsection 80(2) of the Stamp Act 1949 [Act 378], the Minister makes the following order:

Citation and commencement

1. (1) This order may be cited as the **Stamp Duty (Remission) (No. 2) Order 2009**.

(2) This Order shall have effect from 1 January 2010 until 31 December 2015.

Remission

2. Twenty percent of the stamp duty payable and chargeable on the principal or primary instrument of financing made according to the Syariah principles pursuant to subsubparagraph 22(1)(a) or subparagraph 27(a) of the First Schedule of the Act is remitted subject to the condition that the instrument is approved by the Syariah Advisory Council of Bank Negara Malaysia or the Securities Commission, as the case may be.

Made 23 November 2009

[Perb. CR(8.09)294/6/4-9(SJ. 9)(2010); LHDN. 01/35/(S)/42/51/231-17.11; PN(PU²)159/XXXV]

DATO' SERI HAJI AHMAD HUSNI BIN MOHAMAD HANADZLAH
Second Minister of Finance