



Indirect Tax Alert

Extension of Time for Filing Indirect Tax Returns

The Royal Malaysian Customs Department (RMCD) announced on 14 April 2020 that, in line with the extension of the Movement Control Order (MCO) to 28 April 2020, certain indirect tax payments (as set out in below paragraph), that were originally due on the 31st March or 30th April have had their deadlines extended to before 13 May 2020 (i.e. 12 May 2020). A remission of (late-payment) penalty would be granted if the tax payment (in respect of the relevant indirect tax returns) is received by RMCD before 13 May 2020 (i.e. by 12 May 2020). RMCD has verbally clarified that the remission will be reflected automatically in the system, if the taxes due are paid by 12 May 2020.

The extension of time is given to those who are due to lodge the following types of indirect tax returns:

- Sales Tax or Service Tax via the SST-02
- Service Tax on Imported Services via the SST-02A
- Tourism Tax via the TTx-03
- Departure Levy via the DLV-02

For more information, you may access the announcement, which is only available in the national language [here](#).

Deloitte's comments

As tax payment is due and payable by the filing deadline of the related indirect tax return, the RMCD announcement on late-payment penalty remission for the relevant (indirect tax return) payments before 13 May 2020, would imply that the filing deadline for the relevant indirect tax returns has likewise been extended to 12 May 2020 (i.e. before 13 May 2020). We note that there are conflicting deadlines shown in the MySST portal and that the extended deadline of 12 May 2020 is not reflected in the portal. We understand that the dates in the portal will soon be updated to reflect the new deadline.

We would like to point out that the extension for filing returns and payments are not granted to foreign registered persons (FRPs) for digital services. As of the date of this alert, the deadline for the FRPs' first service tax return, DST-02, along with payment of service tax remains on 30 April 2020.

We will continue to monitor the tax developments in Malaysia and keep you updated of any new information through our newsletters and alerts.

If you would like to have further discussions on any of the above, please reach out to your usual Deloitte indirect tax contact or to the team below.

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Best regards,

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