



Malaysian Iron & Steel Industry Federation

Co. Reg. No. 76350P GST Reg. No. 001781899264

17 October 2025

By email

**MEMBERS CIRCULAR
(C23/2025)**

Dear Members,

Royal Malaysian Customs Department, Sales Tax Policy No. 4/2025, Sales Tax Exemption on Machinery, Equipment and Spare Parts Under Item 55, Schedule A, Sales Tax (Persons Exempted From Payment of Tax) Order 2018

Machinery, equipment, and spare parts imported or purchased on or after 1 July 2025 for manufacturing finished goods are exempted from sales tax by the Minister of Finance under Section 35(3) of the Sales Tax Act 2018 (STA 2018).

The manufacturer may submit the refund applications under section 39 of the Sales Tax Act 2018 for machinery, equipment and spare parts, subject to the following conditions:

1. The importation or purchase must be made from 1st July 2025 to 26th September 2025;
2. Goods belong to a category approved by the Secretary General of Treasury as specified in the Guide on Sales Tax Exemption Under Item 33A, 33B, 55, 63, & 65, Schedule A, Sales Tax (Person Exempted From Payment of Tax) Order 2018-Appendix 1;
3. The manufacturer must obtain a confirmation letter issued by Malaysian Investment Development Authority (MIDA); and
4. The manufacturer has paid the sales tax.

Kindly refer to Sales Tax Policy No. 4/2025 as attached.

Thank you.

Yours sincerely,

Ng Mor Kiang
Chief Executive Officer