



MALAYSIA GLOBAL SERVICES HUB TAX INCENTIVE

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Global Services Hub tax incentive is an outcome-based incentives which uses a tiered rate in the provision of incentives on service income, or service and trading income achieved.

1. Overview of the Incentive

An approved Global Services Hub company is eligible to enjoy the following concessionary corporate income tax rates:

No	Category	Concessionary Corporate Income Tax Rate	Period of incentive (Blocks Years)	Type of income exempted
A	New Company	Tier 1 : 0% Tier 2 : 5%	5 (+5)	(i) Services income; or
B	Existing Company	Tier 1 : 5% on value added income Tier 2: 10% on value added income	5	(ii) Services and trading income

Preferential income tax rate of **15%** be given for a period of 3 consecutive years of assessment limited to three (3) non-citizen individuals holding key/C-Suite positions with a monthly salary of at least RM35,000 in a new company approved with Global Services Hub tax incentive.

2. Qualifying Services and Additional Services

- Regional P&L / Business Management Unit;
- Strategic Business Planning;
- Corporate Development;

AND

Any 2 qualifying activities under the services category as follows:

- Strategic services;
- Business services;
- Shared services;
- Other services.

3. Outcome-based conditions

- Annual operating expenditure;
- High value full time employees;
- C-suite with minimum salary of RM35,000;
- Locally ancillary services;
- Collaboration with higher education institution/TVET;
- Training for Malaysian students/citizen;
- Environmental, Social and Governance (ESG) elements; or
- Other conditions as determined by the Minister of Finance.

Application received by Malaysian Investment Development Authority (MIDA) from 14 October 2023 to 31 December 2027

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Kuala Lumpur 吉隆坡	T +603 780 55022	Johor Bahru 柔佛	T +607 595 2299	Penang 槟城	T +604 296 6730 / +604 371 3318
Labuan 纳闽岛	T +6087 599 328	Muar 麻坡	T +606 952 0205	Sitiawan 实兆远	T +605 688 5112
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