

Rujukan MIDA : 410/B2/5/4

Tarikh : 12 Januari 2016

Edaran seperti di Lampiran I

YBhg. Tan Sri/Datuk/Dato'/Tuan/Puan

Makluman Bagi Insentif Cukai Teknologi Hijau di bawah Akta Cukai Pendapatan, 1967

Dengan hormatnya saya merujuk kepada perkara di atas.

2. Untuk makluman, di dalam Bajet 2014 Kerajaan telah mengumumkan untuk memberi galakan Elaun Cukai Pelaburan (ECP) ke atas pembelian peralatan dan pengecualian cukai pendapatan ke atas perkhidmatan untuk aktiviti teknologi hijau.

3. Sehubungan dengan demikian, baru-baru ini Kementerian Kewangan Malaysia telah meluluskan aktiviti-aktiviti yang layak di bawah insentif teknologi hijau ini yang merangkumi pelaburan di dalam projek dan perkhidmatan untuk industri tenaga boleh diperbaharui, kecekapan tenaga, bangunan hijau, *green data centre*, pengurusan sisa dan lain-lain aktiviti perkhidmatan sokongan.

4. Galakan cukai adalah berkuatkuasa daripada tarikh Bajet 2014 diumumkan iaitu 25 Oktober 2013 dan akan tamat pada 31 Disember 2020. Untuk rujukan, garis panduan untuk galakan ini adalah seperti di Lampiran. Syarikat yang ingin memohon galakan teknologi hijau perlu melengkapkan borang GT/JA dan dikemukakan kepada MIDA untuk penilaian selanjutnya. Borang ini boleh dimuat turun melalui laman sesawang MIDA iaitu www.mida.gov.my.

5. Sekiranya YBhg. Tan Sri/Datuk/Dato'/Tuan/Puan mempunyai sebarang pertanyaan mengenai galakan ini, sila hubungi pegawai MIDA seperti berikut:-

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Sekian, terima kasih.

“BERKHIDMAT UNTUK NEGARA”

“1MALAYSIA, RAKYAT DIDAHULUKAN, PENCAPAIAN DIUTAMAKAN”

Saya yang menurut perintah,


(Zuaida Abdullah)

Pengarah

Bahagian Teknologi Bersih dan Pengurusan Persekitaran

b/p Ketua Pegawai Eksekutif

Lembaga Pembangunan Pelaburan Malaysia

**APPLICATION FOR INCENTIVE
AND/OR EXPATRIATE POSTS FOR GREEN TECHNOLOGY (GT)**

I. INTRODUCTION

1. In Budget 2014, the Government had announced the provision of investment tax allowance for the purchase of green technology assets and income tax exemption on the use of green technology services and system to further strengthen the development of green technology (GT).
2. Among the objectives of the incentives are:
 - 2.1 Encouraging investments in green technology industries on a project basis either for business purposes or own consumption and the adoption of green technology by selected services/system providers;
 - 2.2 Encouraging companies to acquire / purchase assets that have been verified as green technology assets by the Malaysian Green Technology Corporation (MGTC) and these assets are listed under MyHijau Directory;
 - 2.3 Facilitating the transition of expiring existing tax incentives relating to renewable energy (RE) and energy efficiency (EE) projects.
 - 2.4 Widening the coverage across various priority green technology industries such as energy, transportation, building, and waste management and supporting services activities.

II. QUALIFYING ACTIVITIES

Green technology project or services activities related to renewable energy, energy efficiency, green building / data centre, waste management, electric vehicle and other supporting services.

The details of qualifying activities for project and services are attached in **APPENDIX I**.

III. INCENTIVES

1. A company which undertakes a green technology **project** or **services** activity should submit the application to Malaysian Investment Development Authority (MIDA).

1.1 Investment Tax Allowance (Project)

Investment Tax Allowance (ITA) of 100% of qualifying capital expenditure incurred on a green technology project from the **year of assessment 2013** (date on which the first qualifying capital expenditure incurred is **not earlier than 25 October 2013**) until the **year of assessment 2020**. The allowance can be offset against **70%** of statutory income in the year of assessment. Unutilised allowances can be carried forward until they are fully absorbed.

1.2 Income Tax Exemption (Services)

Income tax exemption of 100% of statutory income from the **year of assessment 2013** until the **year of assessment 2020**.

The company must comply with the conditions stated in the approval letter.

2. A company which purchases green technology assets listed in **MyHijau Directory** (www.greendirectory.my) should submit its application to MGTC.

2.1 Investment Tax Allowance (Asset)

Investment Tax Allowance (ITA) of 100% of qualifying capital expenditure incurred on green technology asset from the **year of assessment 2013** (date on which the first qualifying capital expenditure incurred is **not earlier than 25 October 2013**) until the **year of assessment 2020**. The allowance can be offset against **70% of statutory income** in the year of assessment. Unutilised allowances can be carried forward until they are fully absorbed.

IV. ELIGIBILITY CRITERIA

1. The company must be incorporated under the Companies Act, 1965 and resident in Malaysia.
2. A new or existing company undertaking green activities as prescribed in Appendix I for business purposes or own consumption / use is eligible to be considered for Green Technology Incentive.

3. For a company which undertakes a green technology project or acquires green technology assets, it must achieve the following green results:-
 - a) minimises the degradation of the environment or reduces greenhouse emission;
 - b) promotes health and improvement of environment;
 - c) conserves the use of energy and/or other forms of natural resources or promotes the use of renewable energy or is able to recycle waste material resources.

4. For a company which undertakes green technology services activities, the company must meet the criteria of green services as follows:-
 - a) At least one competent / qualified personnel in green technology;
 - b) Must have a green policy related to environmental/sustainability; and
 - c) 100% income must be derived from green technology services.

Note:

 - Competent personnel is defined as holding a certificate of competency as a service provider in the related field of green technology.
 - Green Policy is a statement about the commitment to sustainability and environment management by the company.

5. Green technology asset listed in MyHijau Directory means a green technology product, equipment or system used to conserve the natural environment and resources which minimizes and reduces the negative impact of human activities; and approved by the Minister of Finance (MOF).

V. EFFECTIVE DATE OF APPLICATION

1. Project / Services: Applications to be submitted to MIDA and received by **31 December 2020** are eligible to be considered for this incentive.
2. Asset: Applications to be submitted to the MGTC and received by **31 December 2020** are eligible to be considered for this incentive.

VI. PROCEDURE FOR APPLICATION OF ITA PROJECT AND ITE SERVICES

1. The application should be submitted in **three (3) sets** of **GT/JA forms** to:

Chief Executive Officer
Malaysian Investment Development Authority (MIDA),
MIDA Sentral, No. 5
Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur
(Attn.: Director, Clean Technology and Environment Management
Division)

2. For further enquiries and clarification, please refer to:-

Director
Clean Technology and Environment Management Division
Malaysian Investment Development Authority (MIDA)
Tel. No. : (603) 2267 3633
Fax No. : (603) 2274 8470
Website : www.mida.gov.my

Note:

Companies undertaking manufacturing activities with shareholders' funds of RM2.5 million and above or employing 75 or more full-time paid employees are required to apply for a Manufacturing Licence under the Industrial Coordination Act, 1975.

Application should be made using the ICA/JA form and submitted to MIDA.

VII. PROCEDURE FOR APPLICATION OF ITA ASSETS

1. Please refer to MGTC website at www.greendirectory.my for the list of assets which have been certified as MyHijau by MGTC and approved by the MOF. For further enquiries, please contact MGTC at (603) 8921 0800.
2. Applications should be submitted to:

Chief Executive Officer
Malaysia Green Technology Corporation (MGTC)
No. 2 Jalan 9/10
Persiaran Usahawan Seksyen 9
43650 Bandar Baru Bangi
Selangor Darul Ehsan

GREEN TECHNOLOGY PROJECT

Qualifying Activities

1. Renewable Energy

Commercial and industrial business entities which undertake generation of energy in the form of electricity, steam, heat and chilled water using renewable energy resources such as:

- a) Biomass
- b) Biogas
- c) Mini hydro
- d) Geothermal
- e) Solar power

Note: Projects which have been approved with Feed-in-Tariff (FiT) for solar by the Sustainable Energy Development Authority (SEDA) are not eligible for the Investment Tax Allowance. Please refer to www.seda.gov.my for information on renewable energy targets and generation by sources.

2. Energy Efficiency

Companies investing in energy efficient equipment or technologies and invest in energy saving equipment.

3. Green Building

Building owners of the commercial / industrial building that have been awarded green building certificates from locally developed rating tool/certification body approved by the Government.

4. Green Data Centre

Companies that purchased any energy efficient product or solution for data centre which have been awarded green building certificates from locally developed rating tool/certification body approved by the Government.

5. Waste Management

Companies which undertake / invest in waste recycling or waste recovery or waste treatment and additional activities such as composting or store or collection or disposal.

GREEN TECHNOLOGY SERVICES

Qualifying Activities

1. Renewable Energy

Services related to renewable energy project such as system design and feasibility study, advisory and consultancy, testing and commissioning.

2. Energy Efficiency

Services related to energy efficiency such as advisory and consultancy, energy audit and management, measurement and verification, testing and commissioning.

3. Electric Vehicle (EV)

- a) Services related to installation, maintenance and repair of EV charging equipment, infrastructure and EV charging station.
- b) Services related to operation of the EV charging station.
- c) Services related to maintenance, repair and overhaul of EV.

4. Green Building

Services related to testing and commissioning of green building equipment and system, and services related to green building design and consultancy services.

5. Green Data Centre

Services related to system design and feasibility study, advisory and consultancy, testing and commissioning of green data centre or ICT infrastructure.

6. Green Certification and Verification

Services related to green certifications of products, equipment and buildings.

7. Green Township

Services related to advisory and consultancy, design and feasibility study in Green township and low carbon cities planning.