

CIRCULAR NO: 82/2025

DATE: 23 JUNE 2025

TO: ALL MEMBERS

APPLY FOR REGISTERED MANUFACTURER STATUS TO CLAIM SST EXEMPTION ON IMPORTED RESINS

In accordance with the latest 2025 guidelines under the Sales Tax Act 2018, companies that import plastic resins or other raw materials are reminded that these materials are subject to 5% Sales Tax (SST) unless proper **exemption** is obtained through **registration as a Registered Manufacturer (RM)** with the Royal Malaysian Customs Department (RMCD) and receipt of a valid **Schedule C Exemption Certificate**.

RMs are exempt from SST on raw materials, components, packaging materials and manufacturing aids used solely and directly in manufacturing taxable goods. This includes **plastic resins under HS Code 3901.20**, which would otherwise be taxed at 5% under the Sales Tax (Goods Subject to Tax) Order 2025.

ELIGIBILITY

Companies must register as an RM if:

- i. They manufacture taxable goods (as per the Act) and
- ii. Their annual taxable goods turnover exceeds RM500,000. Voluntary registration is available for companies under the threshold.

APPLICATION AND CLAIMING EXEMPTION

For new RM applications in 2025, **SST exemption applies only from the date stated in the RMCD approval email**.

- i. Apply through mySST portal → “New Registration – Sales Tax”.
- ii. Upon receiving approval as RM, apply under **Schedule C, Item 1** via mySST to obtain an **Exemption Certificate**.
- iii. Once approved, RMCD will issue a **Certificate Number** and **Effective Date of Exemption**. The Certificate Number MUST be stated in import declarations (Form K1/K2) and should be included in related invoices and customs documentation.

You must not claim SST exemption until all three are received and noted.

If your company purchase resins through a **Sales Agent/Trader/Distributor**, you must apply under **Schedule C Item 3 or 4** and generate an **Appointment Letter/'Surat Lantikan'** with a **Certificate Number** via the mySST system. This number must be used by the appointed party for SST exemption at the point of import or purchase.

IMPORTANT NOTES FOR BUSINESSES AFFECTED

If your company was not previously subject to Sales Tax but will now fall under the revised scope or new rate bands effective 1 July 2025, you will be required to register for Sales Tax.

New registrations under this revised scope can only be submitted starting 1 August 2025 via the mySST portal.

Registration is not permitted before 1 August 2025 for these newly covered goods or companies.

You must submit your registration within 30 days from 1 August 2025 (that is, by 31 August 2025).

Your effective date of registration will be the first day of the month following the month of approval, as stated in the approval letter from RMCD.

Meanwhile, **existing Registered Manufacturers** who need to **add new tariff codes to reflect the revised rate scope** may submit their applications starting **24 June 2025** via the mySST portal.

If you **previously enjoyed raw material exemptions under Schedule B** (for example, Item 4), you **must register as an RM by 30 September 2025 to retain exemption on your remaining stock.**

SUMMARY

1. Apply via mySST for RM registration
2. Submit Schedule C exemption application for imported resin
3. Receive approval email with certificate number and effective date
4. Begin importing exempted resin and include the cert. number in declarations/invoices
5. Maintain proper records and submit bi-monthly SST-02 returns

All businesses are advised to take note of these effective dates to avoid delays in compliance and to ensure the correct SST rate is charged from 1 July 2025.

REFERENCES

Guidelines for the Transition of Sales Tax Rate Changes Effective On 1 July 2025

<https://mysst.customs.gov.my/IndustryGuides>

- Guide On: A. Manufacturing; B. Import/Export
- Guide: Sales Tax On Low Value Goods (LVG)
- Guide on Sales Tax Exemption Under Item 33a, 33b, 55, 63, 64 & 65, Schedule A, Sales Tax (Persons Exempted From Payment Of Tax) Order 2018

Frequently Asked Questions (FAQS): Transition of Sales Tax Rate Changes Effective on 1 July 2025

<https://mysst.customs.gov.my/FAQCJ2025>

MALAYSIAN PLASTICS MANUFACTURERS ASSOCIATION

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