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**TOURISM TAX (TTx) POLICY NO. 1/2021**

**TTx EXEMPTION**

1. YAB Prime Minister has announced the Short-Term Economic Recovery Plan (PENJANA) on 5 June 2020. There is an initiative on Tourism Tax, namely tourism tax exemption for foreign tourist staying in registered premises from 1 July 2020 to 30 June 2021.
2. The tourism tax exemption has been extended until 31 December 2021 as announced by the YAB Prime Minister on 17 March 2021 under the **People and Economic Strategic Empowerment Programme (PEMERKASA)**.
3. During the exemption period, if there is no tourism tax is levied, accommodation operators must comply with the provisions of the Tourism Tax Act 2017 and the Tourism Tax Regulations 2017.
4. Accommodation operators must submit TTx-03 return according to the taxable period in accordance with the provisions of Section 19 (5) of the Tourism Tax Act 2017, although no tourism tax is imposed on foreign tourist:
  - (i) To account and pay the tourism tax received from foreign tourist for an accommodation before the exemption period or any tourism tax that has not been received from tourist within twelve calendar months that become due in the taxable period.
  - (ii) The amount of tourism tax exempted must be stated in the TTx-03 return. Column 7 in TTx-03 must be filled with the tax amount for each night per room that is not subject to tourism tax (exempt) to foreign tourist.
  - (iii) The accommodation operator must state the tourism tax exemption in the invoice. Invoices issued to foreign tourist in connection with the imposition of tourism tax can be recorded as “exempt” or “NIL” or “RM0.00” for the exemption period.
5. Failure to comply with the provision of Section 19 (5) of the Tourism Tax Act 2017 is an offence that can be prosecuted.

**INTERNAL TAX DIVISION, ROYAL MALAYSIAN CUSTOMS DEPARTMENT  
HEADQUARTERS**

**DATE: 18 March 2021**