



ROYAL MALAYSIAN CUSTOMS DEPARTMENT

LIABILITY OF OPERATOR AND DIGITAL PLATFORM SERVICE PROVIDER (DPSP) TO ACCOUNT FOR TOURISM TAX RECEIVED

PUBLIC RULING NO. 01/2025

EFFECTIVE DATE: 1 DECEMBER 2025

PUBLIC RULING

This Public Ruling is issued in accordance with the powers conferred under section 31A of the Tourism Tax Act 2017 (TTx). Accordingly, the Director General of Customs (DG) is empowered to issue Public Rulings to determine the liability to account for tourism tax received.

This Public Ruling may be amended in whole or in part, or withdrawn at any time by new publication or a notice of withdrawal.

If there is any amendment in the legislation under the Tourism Tax Act 2017 that affects the content of this ruling, such amendment in the legislation shall prevail over the information in this Public Ruling.

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1. INTRODUCTION

- 1.1 The Director General of Customs (DG) is empowered to issue this Public Ruling in accordance with the powers granted under section 31A of the Tourism Tax Act 2017 (TTx).
- 1.2 This Public Ruling is issued in relation to the legislation under the Tourism Tax and its subsidiary legislation to clarify the liability of operator or Digital Platform Service Provider (DPSP) to account for tourism tax received.

2. LEGISLATION

The legislation relating to the liability to account for tourism tax received is as follows:

- i. Section 6 of the Tourism Tax Act 2017;
- ii. Section 20A of the Tourism Tax Act 2017;
- iii. Section 17 of the Tourism Tax Act 2017;
- iv. Section 19 of the Tourism Tax Act 2017;
- v. Section 20I of the Tourism Tax Act 2017; and
- vi. Section 24 of the Tourism Tax Act 2017.

3. RULING AND EXPLANATION

3.1 Imposition of Tourism Tax

- 3.1.1 Under subsection 6(1) stated that a tax known as tourism tax shall be charged and levied on a tourist staying at any accommodation premises made available by an operator at the rate fixed by the Minister in accordance with section 8. Under subsection 6(2) stated that subject to subsection (3), it shall be the duty of the tourist to pay tourism tax to the operator.
- 3.1.2 Based on subsection 20A(1), notwithstanding section 6, tourism tax shall be charged and levied on a tourists staying at any accommodation premises made available through service relating to online accommodation premises booking provided by DPSP at the rate fixed in accordance with section 8. While subsection

20A(2) has provided that it shall be the duty of the tourist to pay the tourism tax to the DPSP.

3.2 Responsibility for Accounting Tourism Tax

- 3.2.1 Under section 19 and section 20I of the Tourism Tax Act 2017, it is clearly stated that an operator or DPSP who receives tourism tax from a tourist shall account for the tax and pay to the DG according to the taxable period.
- 3.2.2 Meanwhile, subsection 20A(3) of the Tourism Tax Act 2017 provides that an operator of accommodation premises shall not collect tourism tax that has already been imposed by DPSP, provided that the tourist is able to produce proof of such payment.
- 3.2.3 Based on section 19(2) of the Tourism Tax Act 2017, if the whole or any part of the tourism tax is not received by the operator from the tourist **within twelve (12) months** from the date the invoice for the accommodation is provided, **the operator shall account** for the tourism tax in the tax return of the following taxable period after the end of that period.
- 3.2.4 Therefore, it is the **operator's responsibility** to ensure that the **tourism tax is paid by tourists** staying at accommodation premises provided through an online accommodation premises booking service or directly through the operator of the accommodation premises.
- 3.2.5 DPSP that **receive payment for accommodation premises** bookings directly from tourists **are responsible** for accounting the tourism tax to RMCD in accordance with the DPSP taxable period.
- 3.2.6 Operators and DPSP may apply for a **tourism tax deduction** through their tax return within one (1) year after the tourism tax has been refunded to the tourist **in the event of an accommodation cancellation**.

3.3 Responsibility for Keeping Records

- 3.3.1 Every operator and DPSP is responsible for **maintaining complete, accurate and up-to-date records** of all transactions relating to tourism tax as provided under section 17 and section 20J of the Tourism Tax Act 2017. Records that must be maintained:

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- i. records of the tourists passport details;
 - ii. details of the tourists accommodation;
 - iii. copies of tourists passport details for the purpose of tax exemption;
 - iv. invoices, receipts, debit notes and credit notes;
 - v. daily and monthly reports on tourists accommodation;
 - vi. records of tourism tax collected by the DPSP;
 - vii. all records relating to tourism tax transactions; and
 - viii. all records relating to the accommodation premises provided.

**DIRECTOR GENERAL OF CUSTOMS
ROYAL MALAYSIAN CUSTOMS DEPARTMENT**