

Special Voluntary Disclosure Programme (SVDP)

What You Need To Know

This SVDP is a programme offered to provide an opportunity for companies/individuals to make a **voluntary disclosure**, in good faith, of the related liabilities undiscovered by RMCD, and an **amnesty** for offenses that have been identified by RMCD.

These are for all duty/tax/levy/penalty/surcharge liabilities that arise and remain outstanding on or before 31 October 2021. The current SVDP encompasses the following indirect taxes:

- Import Duty, Export Duty & Excise Duty,
- Sales Tax & Service Tax - including that on imported services and digital services,
- Goods and Services Tax,
- Tourism Tax,
- Departure Levy.

Key Features

- Companies/individuals must make the voluntary disclosure within the specified duration of the programme to avail themselves of the incentives offered;
- A Letter of Confirmation of eligibility for the Programme (VA-02) will be issued by RMCD to confirm the participation;
- Companies/individuals can only make amendments to **increase** the monetary amount. A reduction of the monetary amount disclosed is not allowed;
- Amendments to the disclosed amount are allowed **only if** the confirmation letter has not been issued by RMCD; and
- RMCD will accept the voluntary disclosure in good faith. No audit or review will be undertaken for the activities and periods involved in the voluntary disclosure.

Benefits of the SVDP

As announced in the Annual Budget 2022, the current SVDP is the first of its kind and will be a one-off offer, to be made available for a period of 9 months from **1 January 2022 to 30 September 2022** with special remission rates.

	PHASE 1	PHASE 2
Period of Voluntary Disclosure	1 January 2022 to 30 June 2022 (6 months)	1 July 2022 to 30 September 2022 (3 months)
Remission of Penalty	100%	100%
Remission of indirect Tax (for certain cases)	30%	15%
Remission of Penalty for the settlement of any penalty/surcharge outstanding on any Bill of Demand (BOD) issued on or before 31 October 2021	90%	80%
Payment Deadline for Application	30 June 2022	30 September 2022

* To enjoy the incentive, full payment of the related liabilities must be made in accordance with the phase applied for. Partial payment of the total amount is allowed during the Programme period. However, the applicable incentive will be based on the period in which payment is fully made. Failure to pay the balance liability on or before **30 September 2022** will negate the eligibility to enjoy any incentives and action will be taken based on the provisions of the law in force.

The SVDP measures updated here are based on the recent guidelines released on 31 December 2021 by the Royal Malaysian Customs Department (RMCD)



Contact Us

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Eligibility And Participation In The SVDP Are For Companies/Individuals:

- Submitted NIL return incorrectly; Not submitted any return/declaration when required; Under declared and underpaid duty/tax/levy; or Charged tax (e.g. sales tax, service tax or GST) on goods/services that are tax exempted.
- Liable to be registered or licensed but have not done so, under the relevant Acts, and have collected tax/levy but not paid tax/levy to RMCD;
- Liable to be registered or licensed but have not done so, under the relevant Acts, and did not collect the tax/levy from customers;
- Not liable to be registered or licensed, under the relevant Acts, but have collected tax/levy and not paid to RMCD;
- Acquired imported taxable services under the Goods and Services Tax Act 2014 & Service Tax Act 2018 but have not accounted for tax payable to RMCD;
- Companies licensed/registered under the Sales Tax Act 1972 or the Sales Tax Act 2018 that declared sales tax not in accordance with the sales tax assessment, involving sales between related parties;
- Have obtained an indirect tax exemption or facility but did not comply with the conditions;
- Are Importer or exporter, or local excise manufacturer, or Licensed Manufacturing Warehouse or Licensed Warehouse that underpaid duty/tax during their import and export declaration; Used the incorrect tariff code when declaring the goods; Used an exemption facility in error; or Made amendments to the cost of goods in determining the excise value under section 2 of the Excise Act (before 1.1.2020) and PU (A) 402 (After 1.1.2020);
- Are importers for all types of imported CBU Vehicles by holders of AP for post importation VD for vehicles that have been assessed under section 13 (1), Customs Act 1967;
- Are importers for all types of imported CBU Vehicles by holders of AP for vehicles who did not comply with the storage conditions of more than 48 months in a Licensed Warehouse under section 65, Customs Act 1967;
- Are manufacturers of locally assembled vehicles (passenger, commercial & motorcycle) who did not comply with the deferment of payment conditions of more than 48 months from the date of clearance of the vehicle from the manufacturing premise;
- Are importers connected to Multinational Enterprise (MNE).

Imposition Of Compound On Offences

The incentives offered will be revoked and a Bill of Demand (BOD) will be issued if it is proven that there is any fraud.

A minimum compound will be imposed on offenses and must be paid within fourteen (14) days from the date of the compound offer letter. The compound values are as follows:

- RM1,000.00 for each voluntary disclosure amounting to RM100,000.00 and above; or
- RM500.00 for each voluntary disclosure amounting to less than RM100,000.00.

The company/individual needs to pay the compound first to be able to enjoy the programme incentives.



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