



INNOVATING A
BETTER FUTURE
TOGETHER

IP ONLINE COLLEGIUM MEETING

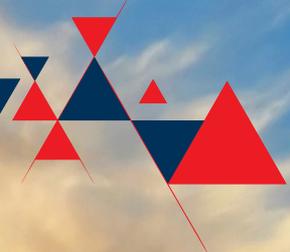
GOVERNMENT TAX INCENTIVES IN GREEN TECHNOLOGY

7 DECEMBER 2020

Prepared & Delivered by

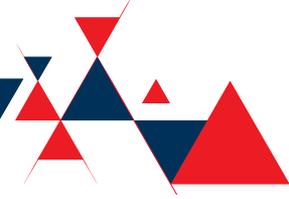
SHERRY BINTI SOKMUM
Intellectual Property Services





GOVERNMENT POLICY





National Biofuel
Policy 2006

National Green
Technology Policy
2009
By KeTTHA

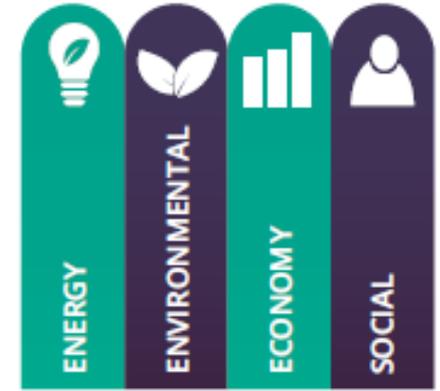


Figure 1.1: Four (4) Pillars of National Green Technology Policy (NGTP)

Government Green
Procurement by
MGTC

MyHIJAU Mark



Figure 8.7: Number of products targeted by MyHIJAU Mark⁸

Green Technology
Master Plan Malaysia
2017-2030
By MOSTI



- » Electricity Generation
- » Energy Efficiency



- » Industrial Efficiency



- » Public Transportation
- » Private Transportation
- » Cleaner Fuel



- » Green Building Design
- » Sustainable Construction Practices
- » Green Building Materials



- » Waste Treatment & Disposal
- » Resource Recovery



- » Integrated River Basin Management
- » Water Treatment & Distribution Technology
- » Water Utilisation Technology
- » Water Harvesting Technology
- » Wastewater Treatment Technology

**National Renewable
Energy Policy &
Action Plan, Feed in
Tariff**

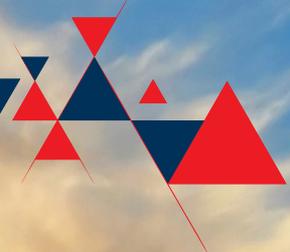
**Non- Revenue Water
Action Plan &
Reduction Program
2008 by SPAN**

**Malaysian Biomass
Industry Action Plan
2020**

**National Automotive
Policy 2014**

**Four- Fuel
Diversification Policy**

**Green Investment
Tax Allowance 2014
by MIDA**



TAX INCENTIVES FOR GREEN TECHNOLOGY



Green Investment Tax Allowance (GITA) Assets

For companies that acquire qualifying GT assets & are listed under MyHijau Directory

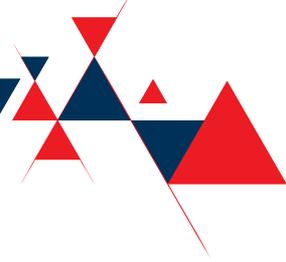
Green Investment Tax Allowance (GITA) Projects

For companies that undertake qualifying GT projects for business or own consumption

Green Investment Tax Exemption (GITE) Services

For qualifying GT service provider companies that are listed under MyHijau Directory

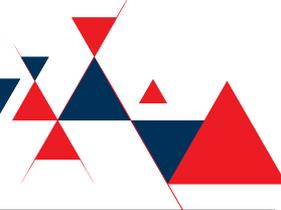
New Tax Incentive Mechanisms (2016-2020)



INCENTIVE FOR SOLAR ACTIVITIES

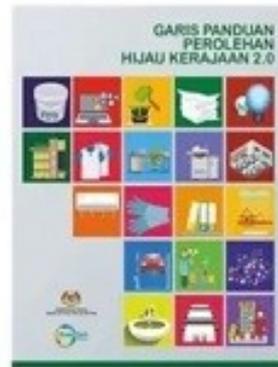
- An income tax exemption of 70% of statutory income for a period of up to 10 years of assessment
- Be given to companies undertaking solar leasing activities certified by the Sustainable Energy.
- Applications for this incentive can be made to MIDA from 1 January 2020 to 31 December 2023.





GOVERNMENT GREEN PROCUREMENT

GGP IMPLEMENTATION IN RMK-11 (2016-2020)



2013-2015 (Pilot Project)

- 6 product groups
- 5 ministries / government agencies

2016

- 20 product groups
- 12 ministries / government agencies

2017

- 30 product groups
- 25 ministries / government agencies

2018

- 30 product groups
- 25 ministries / government agencies

2019

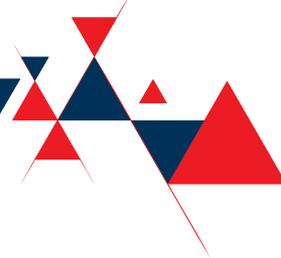
- 30 product groups
- 25 ministries / government agencies

2020

- More than 30 product groups
- 25 ministries / government agencies



Government announced the target of 20% GGP by Year 2020



GREEN TECHNOLOGY FINANCING SCHEME

FOR PRODUCERS

FOR USERS

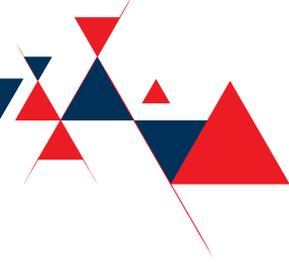
FOR ESCOS





TAX INCENTIVES FOR INTELLECTUAL PROPERTY





A double deduction
for in-house R&D
expenditure
approved by the IRB

A double deduction
for R&D
contributions to
approved research
institutions or
expenditure

A tax deduction for
the cost of
acquisition of
proprietary rights

TAX INCENTIVES FOR DEVELOPMENT OF IP

An income tax
exemption for R&D
contract companies
that provide R&D
services

An income tax
exemption for
companies that
commercialize
resource-based &
non-resource-based
R&D findings

TAX EXEMPTION FOR PATENT & SOFTWARE

100% tax exemption for up to 10 years on the income derived from Qualifying Intellectual Property (development of patents and copyright software)

The Modified Nexus Approach will be applied to ensure that **only IP developed in Malaysia qualifies for income tax exemption** and application must be submitted to MIDA from 1 January 2020 to 31 December 2022

THANK YOU



PlatCOM Ventures Sdn. Bhd.
3501, Level 3, Quill Building 3, Jalan Teknokrat 5,
63000 Cyberjaya, Selangor, Malaysia
T : +603 8319 3116
F : +603 8319 3499
E : info@platcomventures.com

www.platcomventures.com

Innovating A Better Future Together