# SERVICE TAX POLICY NO. 5/2025 (Amendment No. 4)

**THE MINISTER OF FINANCE,** pursuant to paragraph 34(3)*(a) and* 34(4) of the Service Tax Act 2018, exempts the payment and imposes of service tax with **effect from 1 July 2025** for –

**PRIVATE HEALTHCARE SERVICES**
Items 14, 15 dan 16, Group I, First Schedule
Service Tax Regulations 2018

| NO. | EXEMPTION | CONDITIONS |
|---|---|---|
| 1. | (a) Consultation fees charged by professional doctors at registered private healthcare facilities, practitioners of traditional and complementary private medical practices, and private allied health services are exempted from the imposition of service tax.<br><br>(b) However, any service tax that has been collected from customers must be remitted to the Royal Malaysian Customs Department (RMCD) in accordance with Section 26 of the Service Tax Act 2018. The Royal Malaysian Customs Department may take any necessary action to recover any amount of service tax not accounted for to RMCD in accordance with the prevailing legislation in force. | The consultation fee shall be itemized separately from other medical treatment charges within the same invoice.<br><br>Where the issued invoice does not specify the value of the consultation fee separately, service tax shall be imposed on the total value of the invoice. |

| NO. | EXEMPTION | CONDITIONS |
|---|---|---|
| 2. | (a) Any private healthcare facility that provides taxable services such as accommodation services (Group A) and food and beverage services (Group B) is subject to service tax on all other services (taxable and non-taxable) provided by the premises.<br><br>(b) An exemption from imposing service tax is granted to private healthcare service providers registered or licensed under Act 586 (whether registered or not under the Service Tax Act 2018) who provide services under Group A and Group B of the First Schedule, Service Tax Regulations 2018, for the period from 1 September 2018 to 30 June 2025.<br><br>(c) No refund shall be granted to any private healthcare facility that has imposed and remitted service tax on Group A and Group B services during the exemption period from 1 September 2018 to 30 June 2025.<br><br>(d) Therefore, private healthcare facilities registered under Group A and Group B are required to impose service tax on all taxable and non- | |

| NO. | EXEMPTION | CONDITIONS |
|---|---|---|
| | taxable services provided effective from 1 July 2025. | |
| 3. | (a) Health screening services for non-citizen workers provided by private healthcare facilities through health screening management service providers are exempted from the imposition of service tax.<br><br>(b) Any service tax that has been collected from customers must be remitted to the Royal Malaysian Customs Department (RMCD) in accordance with Section 26 of the Service Tax Act 2018. The Royal Malaysian Customs Department may take any necessary action to recover any amount of service tax not accounted for to RMCD in accordance with the prevailing legislation in force. | |
| 4. | Service tax exemption is granted to all foreign diplomats and their dependents upon verification by the Ministry of Foreign Affairs. | (i) The implementation of the exemption is subject to a verification letter from the Ministry of Foreign Affairs issued to the foreign diplomat.<br><br>(ii) A copy of the verification letter must be submitted by the foreign diplomat to the private hospital/clinic for record purposes. |

| NO. | EXEMPTION | CONDITIONS |
|---|---|---|
| 5. | Service tax exemptions are granted to newborns who have not yet obtained citizenship status. | (i) One of the parents must be a citizen with valid identification documents issued by the National Registration Department.<br><br>(ii) Documentation proof must be submitted to the private healthcare service provider during the registration process. |

**Disclaimer:**
The service tax policy issued herein is subject to amendments should there be any changes to the relevant policy.

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

**List of ammendments:**

| Bil. | Reference | Description of ammendment | Effective date | Change |
|---|---|---|---|---|
| 1. | Item 5 | Add new paragraph | 1 July 2025 | Policy |