

What are the tax incentives for businesses in JS-SEZ?

JS-SEZ: Johor-Singapore Special Economic Zone

Manufacturing - Business

New company - new investment will enjoy tax incentive of 5% either 10 or 15 years depending on capital investment amount.

Existing company - new investment will enjoy tax allowance of 100% on qualifying capital investment incurred within 5 years, against 100% statutory income.

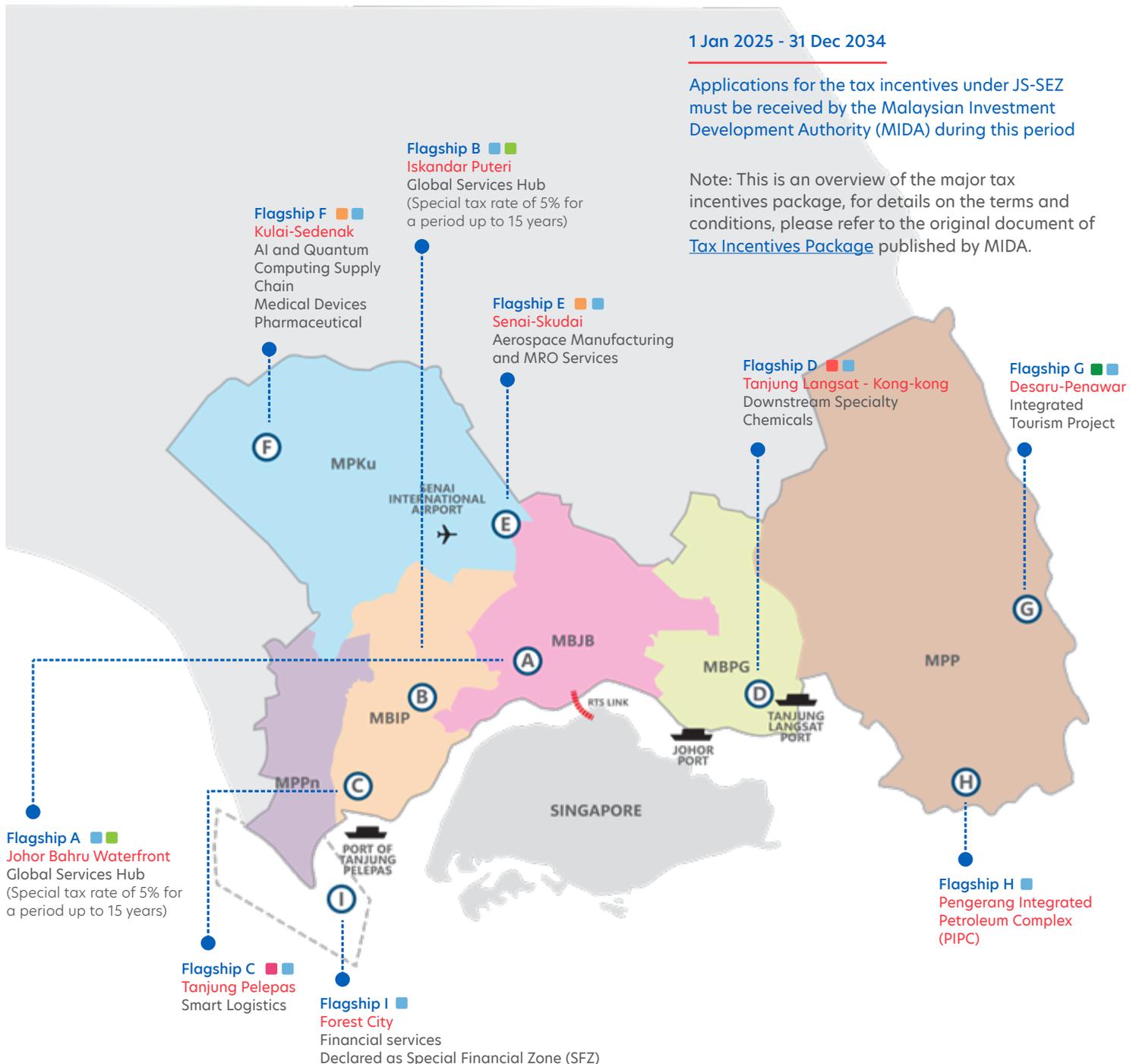
Manufacturing - Downstream Specialty Chemicals

Special Tax Rate for a company with capital investment of MYR500 mn and above or income tax exemption equivalent to Investment Tax Allowance for a company with capital investment of MYR500 mn and above - subject to Tier 1 and 2 conditions.

Integrated Tourism Project

Investment Tax Allowance of 100% qualifying capital expenditure incurred within 5 years.

Separately, a deduction equivalent to amount not exceeding MYR1 mn for each year assessment - cash contribution or contribution in-kind by qualifying person who sponsors a hallmark event.



Smart Logistics

Investment Tax Allowance of 100% qualifying capital expenditure incurred within 5 years. The allowance can be offset against 100% of the statutory income for each year of assessment.

Incentives for all flagships

Knowledge worker incentives - 15% flat tax rate on chargeable employment income for 10 years.

Separately, Accelerated Capital Allowances (ACA) in respect of renovation costs incurred on a building or part of a commercial building located in Flagship A-G for the purpose of qualifying company's business. This can be utilised only once throughout their business in JS-SEZ.

Additional Incentives

40% stamp duty exemption on the instrument of transfer/financing agreement for the purchase of a commercial property in Flagship A and B that remains unsold as at 31st December 2024.

Source: IRDA, MIDA, Global Economics & Markets Research Information as of 10 February 2025

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