



LEMBAGA PELABUHAN KELANG

NOTICE NO. 2/2015

APPLICATION OF GOODS AND SERVICES TAX (GST) AT FREE ZONES UNDER THE ADMINISTRATION OF PORT KLANG AUTHORITY

1. With reference to the above, this notice serves to advise all port and free zone users and other stakeholders in Port Klang that Port Klang Authority (PKA) as the Regulatory Authority having jurisdiction and oversight of North Port (including Northport Distripark), South Port, West Port and Port Klang Free Zone (PKFZ) will continue to act in the fulfilment of duties under the Free Zone Act 1990.
2. Therefore, in accordance to the provisions under Section 3(2) of the Free Zone Act 1990, PKA as the Authority for the Free Commercial Zones (FCZ) in North Port (including Northport Distripark), South Port, West Port and PKFZ as per Gazette Plan in the First Schedule and Free Industrial Zone (FIZ) in PKFZ as per Gazette Plan in the Second Schedule, hereby affirms that all existing free zone procedures governing Goods and Services under Section 4 of the Act in the aforesaid free zones will continue to prevail after 1 April, 2015.
3. With reference to the Government gazette PU (A) 272 Goods and Services Tax (Zero-Rated Supply) Order 2014, the following supply of Goods and Services by licenced port operators, warehouse operators or companies licenced by the Port Authority are determined as zero rated supply:-
 - a) **Supply of Goods**
 - i) Goods for use as stores including fresh water and bunker on a voyage to or from a place outside Malaysia or as merchandise for sale by retail to persons carried on a voyage to or from a place outside Malaysia in a ship.
 - ii) Goods for use as ship spares on a voyage to or from a place outside Malaysia.

b) Supply of Services

- i) Ship handling services in a port including mooring, unmooring, pilotage and towage;
- ii) navigation services supplied in relation to a ship in port including the provision of aids to navigation and hydrographic services whereby light dues and port dues are raised;
- iii) repair, maintenance and installation services supplied in relation to a ship including parts incorporated;
- iv) loading, unloading, handling services or storage of goods carried or to be carried in a ship in port;
- v) inter-terminal transfer of transshipment containers;
- vi) garbage and sludge disposal;
- vii) issuance of hot-work permit and port pass.

4. Handling services referred to para 3 (b) (iv) includes:-

- i) stevedoring and portorage;
- ii) loading, unloading, reloading, stowing, securing and shifting cargo by the use of cranes and weighing machines;
- iii) sorting, opening for inspection, repairing, weighing and tarring, taping and sealing, erasing and re-marking, labelling and renumbering, tallying, checking, sampling, measuring or gauging of goods;
- iv) survey of cargo (including damaged cargo);
- v) cargo security services;
- vi) presenting goods for customs declaration.

5. Port Klang Authority via the Ministry of Transport has highlighted the issues raised by stakeholders pertaining to the GST implementation and will continue to engage with the relevant authorities for proper clarification to safeguard the provisions of the Free Zone Act 1990 vital for the continuous growth of Port Klang, the free zones and more importantly, the nation's economy. The port and shipping community will be kept informed of any further development.

DATO' KAPT. DAVID PADMAN

Pengurus Besar

Lembaga Pelabuhan Kelang

31 Mac 2015