

## Tax Incentives for Green Industry



### 1. Green Technology Incentive includes more qualifying activities

To strengthen the development of green technology, the Government will continue to provide incentives in the form of investment tax allowance for the purchase of green technology assets and income tax exemption for the use of green technology services and system.

The incentives which were announced in Budget 2014 will cover broader scope of green technology activities in the areas of energy, transportation, building, waste management, and supporting services activities. It also facilitates the transition of the expired (by 31 December 2015) tax incentives relating to renewable energy (RE) and **energy efficiency (EE)** projects under the Promotion of Investment Act (PIA), 1986.

#### C) Tax Incentive for Purchase of Green Technology Assets

Investment Tax Allowance (ITA) of **100% of qualifying** capital expenditure incurred on green technology asset from the year of assessment 2013 (date on which the first qualifying capital expenditure incurred is not earlier than 25 October 2013) until the year of assessment 2020. The allowance can be **offset against 70% of statutory income** in the year of assessment. Unutilised allowances can be carried forward until they are fully absorbed.

The purchase of **green technology assets as listed in MyHijau Directory** can qualify for this tax incentive. Please refer to [www.greendirectory.my](http://www.greendirectory.my) for the list of assets which have been certified by the Malaysia Green Technology Corporation (MGTC) as MyHijau and approved by the Ministry of Finance (MoF).

Applications received by **31 December 2020** are eligible for this incentive. Applications should be submitted to MGTC.

Please click the link below to download the Guidelines and Form for Incentives and/or Expatriate Posts for Green Technology (GT).