

NEW EXPANSION OF SERVICE TAX (ST) SCOPE EFFECTIVE 1 JULY 2025

A. Financial Services or Charges that are not Subject to ST

No.	Category	Type of Services	Example
1.	Basic Banking Services	Deposit, Withdrawal, Payment, or Fund Transfer	<ul style="list-style-type: none"> Deposits into savings or current accounts. Cash withdrawals via Automated Teller Machine (ATM) or at the bank counter. Account balance inquiries via ATM. Payment of utility bills or financing instalments via online banking. (DuitNow, Instant Transfer, Interbank GIRO). Fund transfers between own accounts or to third-party accounts.
		Debit Card Annual Fees	<ul style="list-style-type: none"> Annual service charges imposed by banks for card maintenance.
		Over-the-Counter Services	<ul style="list-style-type: none"> Everyday transactions such as deposits, withdrawals, balance inquiries, or bill payments at bank counters.
		Basic ATM Services	<ul style="list-style-type: none"> Cash withdrawals, fund transfers, or balance inquiries via ATM. The RM1 fee for ATM withdrawal via MEPS remains excluded from service tax.
		Account Statement Printing	<ul style="list-style-type: none"> Statement printing via self-service kiosks or over-the-counter at bank branches.

B. Taxable Services or Charges Effective 1 July 2025

No.	Category	Type of Services	Example
1.	Treasury Services	Credit Facility	<ul style="list-style-type: none"> Facility fee for arranging and marking limit
2.	Corporate Banking Advisory Services	Various Advisory and Administrative Fees	<ul style="list-style-type: none"> Structuring of securities fee Processing fee Participation in deals fee Pass-through deal fee (with markup) Upfront fee Administrative charges Letter of undertaking/support/credit advice charges Annual review of facilities fee Restructuring/rescheduling fee Extension fee

For more information on the expanded scope of ST, please refer to the joint media statement issued by Association of Islamic Banking and Financial Institutions Malaysia (AIBIM), The Association of Banks in Malaysia (ABM), and Malaysian Investment Banking Association (MIBA) via the following links:

- **25 June 2025 - [Banks to commence charging of service tax on financial services under expanded service tax scope](#)**
- **26 June 2025 - [Everyday Banking Services Remain Unaffected by Service Tax Expansion](#)**