



26 February 2024

Dear Valued Customers,

**RE: Imposition of Service Tax for Logistics Services effective 1 March 2024**

Further to the Budget 2024 announcement by the Government in respect of the scope expansion of taxable services and implementation of 8% service tax rate, the Royal Malaysian Customs Department (“RMCD”) had, on 7 February 2024, issued two draft guides for logistics services and transition rules for the change of service tax rate (“Draft Guides”). Subsequently, the Service Tax (Amendment) Regulations 2024 was published on 23 February 2024 (“the Regulation”).

The changes which are relevant to the services provided by GDEX are:

No	Description	Service Tax		Remark
		Before	After	
1	Imposition of 6% service tax rate on logistics services under Group J, which is a new group of taxable services	6%	6%	Warehousing management services, courier services, and custom agent services are regrouped to logistics services (Group J)
2	Provision of courier delivery services for documents and parcels exceeding 30 kilogrammes	-	6%	Prior to the proposed changes, courier delivery services for documents and parcels exceeding 30 kilogrammes each are exempted from service tax

*Note: Logistics services include logistics management, warehousing management, customs agent, courier, freight forwarding, delivery, transportation, shipping, cold chain services, and delivery by E-platform providers.*

In compliance with the legal gazette, the service tax for logistics services provided by GDEX remains at **6%**, effective 1 March 2024.

We shall provide timely announcements regarding this matter, if there are any further updates to the legal gazette.

Should you have any questions, please reach out to your respective GDEX contact person.

Thank you.



Yours faithfully,  
On behalf of **GD Express Sdn Bhd**

  
**LIM CHEE SEONG**  
Executive Director / Chief Financial Officer