



# Incentives for Medical Devices Industry



**MIDA**

Malaysian Industrial Development Authority

## **Incentive for Investment in New Testing Laboratories for Testing Medical Devices**

Companies investing in setting up new laboratories are eligible for the following incentives:

- Pioneer Status with income tax exemption of 100% of the statutory income for five years. Unabsorbed capital allowances as well as accumulated losses incurred during the pioneer period can be carried forward and deducted from the post pioneer income of the company; or
- Investment Tax Allowance (ITA) of 60% (100% for promoted areas) on the qualifying capital expenditure incurred within five years. The allowance can be offset against 100% of the statutory income for each year of assessment. Any un-utilised capital allowances can be carried forward to subsequent years until fully utilised.

Applications received by 31 December 2012 are eligible for this incentive.

## **Incentive for Upgrading Existing Testing Laboratories for Testing Medical Devices**

Companies investing in upgrading existing laboratories are eligible for an Investment Tax Allowance (ITA) of 60% (100% for promoted areas) on the qualifying capital expenditure incurred within five years. This allowance can be offset against 100% of the statutory income for each year of assessment. Any un-utilised capital allowances can be carried forward to subsequent years until fully utilised.

Applications received by 31 December 2012 are eligible for this incentive.



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## Exemption from Import Duty on Imported Medical Devices for Purpose of Kitting

Companies could add value as well as to enhance their competitiveness through kitting of their products. Full import duty exemption is given on medical devices that are imported for the purpose of kitting or producing complete procedural sets, provided these medical devices are not manufactured locally.

### Application procedure

Application and inquiries are to be directed to MIDA

### For more information, please contact

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