

PERSONAL IMPORTATION OF VEHICLES TO MALAYSIA

We have received a lot of enquiries regarding the tax structure applicable if anybody wishes to import a CBU car into Malaysia as a personal import. Our President, Haji Yaakob had personally enquired with the Malaysian Customs through an agent in August 2007 on the tax he was liable to pay for his previous car, a BMW X3 3.0 liters, model year 2004.

For your info, the Customs Department's calculation of the full tax structure is as below:

Details of Car: BMW X 3, 3000 cc, year model 2004, first registered on 23.03.2004.

1	Docket price when new in Customs File:	Euro. 28,625.00
2.	Estimated value at date (August 2007) after 41 months of use: 50% depreciation =	Euro 14,312.50
3.	Estimated value in RM: 14,312.50 X 4.8326 (current Rate of Exchange) =	RM. 69,166.59
4.	Add Freight charges to Malaysia (estimated)	= RM. 1,700.00
5.	Add Shipping Insurance to Malaysia (1.5% of 3 above)=	RM. 1,037.50
6.	Total Estimated landed Price in Malaysia (3 + 4 + 5) =	RM. 71,904.09
7.	Import Duty (30% of 6)	= RM 21,571.23
8.	Total with Import duty (6+7)	= RM 93,475.32
9.	Excise Duty (105% of 8)	= RM 98,149.08
10.	Sales Tax (10% of 6+7+9)	= RM 19,162.44
11.	Total Tax payable (7 + 9 + 10)	= <u>RM 138,882.75</u>

The following points are also to be noted:

1. Before importing you have to obtain a personal AP from the Ministry of International Trade and Industry (MITI). Any citizen over 18 years old is entitled for this AP free of charge once in his life time.
2. You may get a discount of 10% of the above tax total if the car is left hand drive. This discount may be given at the sole discretion of the Director General of Customs only.
3. The vehicle could not be transferred to a new owner for at least 4 years.

4. The vehicle must not be more than 5 years old before the date of arrival at a Malaysian port.
5. The applicant must have owned the vehicle (registered under his name) with valid insurance for at least six (6) months prior to the date of importation.
6. Payment to Customs shall be in cash or bank draft. Personal or Company cheques are not acceptable.

For further info, please refer to the Customs Department's website linked to this MAQ web page.

However all the above points and taxes are not applicable if one wishes to import the vehicle under the Program to Encourage Malaysian Citizens With Expertise Residing Overseas To Return to Malaysia which is now in force since 01.01.2001. For further information on this program you can refer to the Ministry of Human Resources website at www.mohr.gov.my.

Changing of Left Hand Drive Vehicles to Right Hand Drive:

Enquiries have also been received regarding changing of left hand drive to right hand drive locally in Malaysia. Our president has also enquired about this recently during his vacation. His comments are:

This is possible for some make or model of vehicles only but the cost is relatively high, and the worldwide manufacturer's warranty for these cars (where applicable) will be invalidated once this is done. In whatever situation the prohibitive cost of changing from left to right will offer no economic benefits at all.
