

## **IMPORTANT NOTICE: 8% Service Tax Amendment for Business Takaful Certificates**

### **Frequently Asked Questions (FAQs)**

- Q1: What is the Order ruling of ST rate from 6% to 8% about?  
A1: The Order requires all Business Takaful Certificates are subjected to the new ST rate i.e. from 6% to 8%. Please note that the Order does not apply to Non-Business Takaful Certificates.
- Q2: When will the Order take effect?  
A2: The Order is effective from 1 March 2024.
- Q3: What will be the impact of the Order?  
A3: The new amendment of the Order impacting our valued customers who own the following certificates:
- New Business Takaful Certificates
  - Renewal Business Takaful Certificates
  - Endorsement of Business Takaful Certificates that resulted variation to the certificate contribution
  - Assignment of certificates from Non-Business Takaful Certificates to Business Takaful Certificates
- Q4: Is there any change to my current certificate contribution?  
A4: Starting from 1 March 2024, any contribution due for your current in-force Business Takaful Certificates will be subject to the new ST rate of 8%. In addition, any renewals or new Business Takaful Certificates participated on or after 1 March 2024 onwards will also be subject to the new ST tax rate of 8%.
- Q5: What steps do I need to take in response to this Order?  
A5: The increase in ST only affects Business Takaful Certificates, so no action is required if you are the owner of Non-Business Takaful Certificates.  
For the owner of the Business Takaful Certificates, please ensure your contribution payable is inclusive of the new revised ST rate. We recommend the owner of Business Takaful Certificates to review your certificate details and contact your PruBSN Wealth Planners, Takaful Agents or our Bank Representatives, if you have any questions.
- Q6: How is this Order impact the renewal of my future Business Takaful Certificate?  
A6: Any renewal of Business Takaful Certificate on or after 1 March 2024 onwards shall be subject to the new ST rate of 8%.