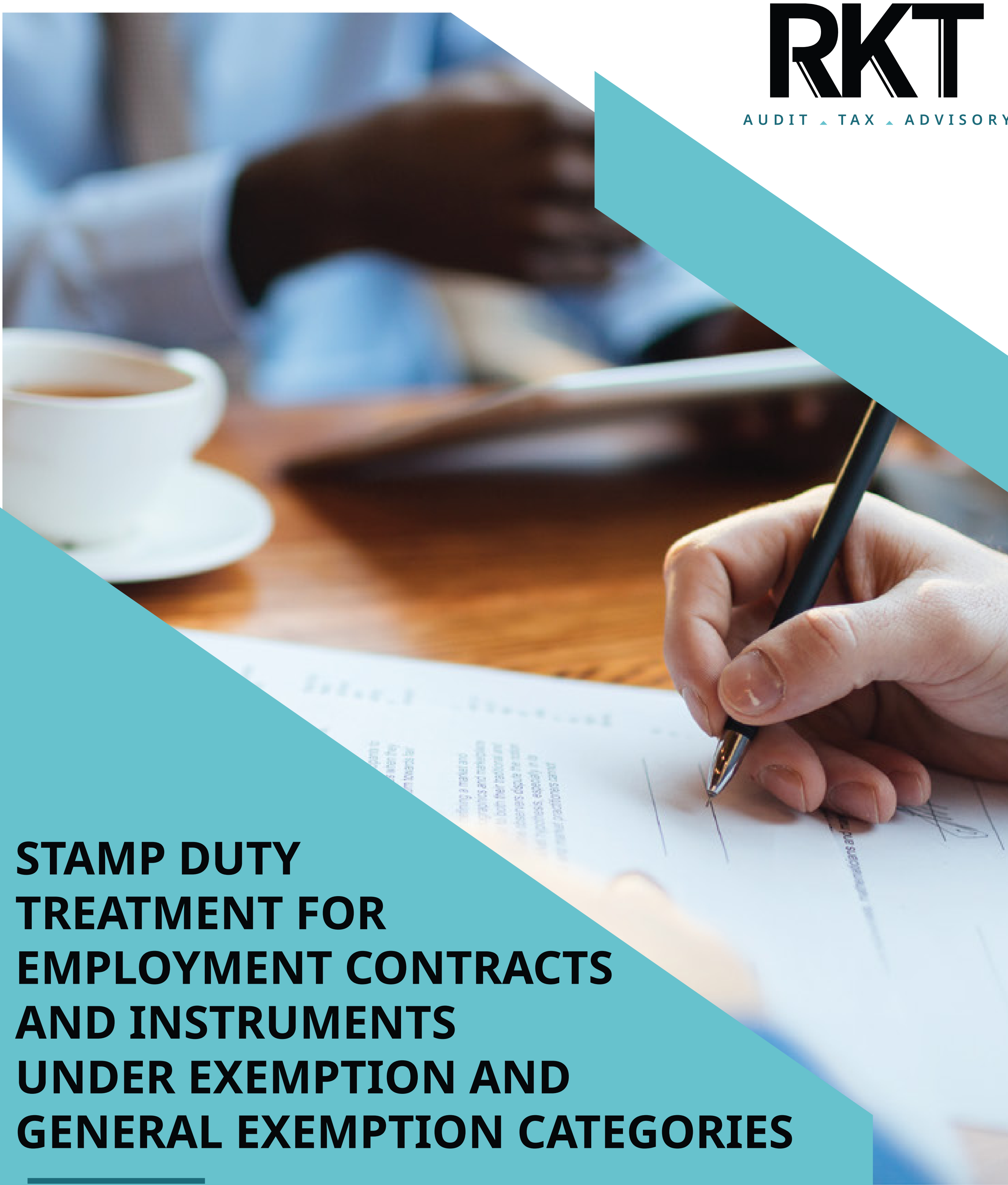

STAMP DUTY TREATMENT FOR EMPLOYMENT CONTRACTS AND INSTRUMENTS UNDER EXEMPTION AND GENERAL EXEMPTION CATEGORIES

AUGUST 2026

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Key Highlights from IRBM's Media Release

Areas	Key Takeaways
(1) **Exempt** Instruments under the First Schedule of SA 1949	**Not** required to be stamped and endorsed.
(2) Instruments under **General Exemption**, Section 35 of SA 1949	**Must be endorsed.** This is to ensure that the exemption is provided to qualifying parties and instruments.
(3) **Employment Contracts**	▪ Monthly remuneration **does not exceed RM3,000** ◦ **Not** required to be stamped and endorsed. ▪ Monthly remuneration **exceeds RM3,000** ◦ Only principal instrument or the master employment contract containing employment terms and conditions **must be stamped and endorsed**. ◦ Ancillary or supplementary instruments relating to the same employment arrangement are **not** required to be stamped and endorsed. ***Practical Implication for Employers*** *Employers with multiple employment-related documents (e.g. offer letters, amendments, supplementary agreements) may benefit from the reduced administrative effort as the clarification confirms that only principal employment contract requires stamping, provided that the documents relate to the same employment arrangement.*

PDF

The IRBM's media release (only available in national language) can be downloaded from the IRBM's website.

The above clarification is timely in light of the Stamp Duty SAS where the stamp duty obligation rests entirely with taxpayers to: -

(a) Determine the applicability of stamp duty;
(b) Submit accurate stamp duty returns electronically; and
(c) Ensure timely stamping and stamp duty payment.

Stamp Duty SAS Timeline

Phase	Effective Date	Types of Instruments
1	From 1 January **2026**	Instruments or agreements in respect of **rental** or **lease**, **general stamping** and **securities**
2	From 1 January **2027**	Instruments in respect of **transfer of property ownership**
3	From 1 January **2028**	Instruments or agreements **other than the above** (i.e. Phases 1 and 2)

Recap of SVDP 2026 for Stamp Duty

Areas	Key Takeaways
SVDP Period (extended)	1 January 2026 to **31 December 2026**.
Eligible Instruments	ALL instruments executed between **1 January 2023 to 31 December 2025** where stamping and payment of stamp duty have not been made.
Relief Granted	▪ **Penalties will be waived automatically** (i.e. application for remission of penalties is not required) when stamp duty is paid. ▪ Instruments executed between 1 January 2023 to 31 December 2025 and stamped during the SVDP period will not be audited again.
Conditions	▪ Stamping (via e-Duti Setem portal) and payment of stamp duty **must be settled within the SVDP period**. ▪ SVDP **does not apply** to cases with element of fraud (e.g. with intention to evade stamp duty).
Application for SVDP	▪ No manual application is required. ▪ Application for SVDP must be done by submitting instruments for stamping via e-Duti Setem portal.

How We Can Assist

We have supported businesses across industries in conducting targeted stamp duty health checks, identifying SVDP-eligible instruments, quantifying exposure and managing submissions via the e-Duti Setem portal.

If you would like us to conduct a preliminary stamp duty review or assess your SVDP eligibility, we would be pleased to discuss further on how to support you in this area.

Glossary for Reference

Abbreviations / Acronyms	Descriptions
IRBM	Inland Revenue Board of Malaysia
SA 1949	Stamp Act 1949
SAS	Self-Assessment System
SVDP	Special Voluntary Disclosure Programme

Key Contacts

Dato' Robert Teo
Managing Partner
+603 2610 2886
roberteo@rktmalaysia.com

Corporate Tax Compliance

Anston Cheah
Executive Director
+603 2610 2829
anston.cheah@rktmalaysia.com

Nicole Chong
Director
+603 2610 2830
nicole.chong@rktmalaysia.com

TAX Audit & Investigation

Anston Cheah
Executive Director
+603 2610 2829
anston.cheah@rktmalaysia.com

Rachel Low
Associate Director
+603 2610 2988
lowwl@rktmalaysia.com

Tax Advisory

Anston Cheah
Executive Director
+603 2610 2829
anston.cheah@rktmalaysia.com

Lee Pei Fern
Senior Manager
+603 2610 2995
leepf@rktmalaysia.com

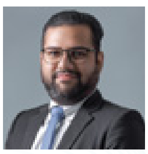
Personal Tax

Mayadevi Karpayah
Director
+603 2610 2831
mayadevi@rktmalaysia.com

Lynda Harun
Associate Director
+603 2610 2832
lynda@rktmalaysia.com

Indirect Tax

Mayadevi Karpayah
Director
+603 2610 2831
mayadevi@rktmalaysia.com



Kalvinder Singh Sidhu
Associate Director
+603 2610 2863
kalvinders@rktmalaysia.com

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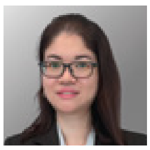

Carolyn Kam
Executive Director
+603 2610 2996
carolyn.kam@rktmalaysia.com

Athirah Mior Shahar
Director
+603 2610 2997
athirah.shahar@rktmalaysia.com

Contact Us

Kuala Lumpur
5th Floor, Penthouse, Wisma RKT
Block A, No.2 Jalan Raja Abdullah
Off Jalan Sultan Ismail,
50300 Kuala Lumpur, Malaysia
Tel : +603 2610 2888

Johor Office
Suite 16-02, Level 16, Menara Landmark,
No. 12, Jalan Ngee Heng,
80888 Ibrahim International Business District,
Johor Bahru, Johor, Malaysia
Tel : +607 276 2828

General Email: info@rktmalaysia.com

Connect to
www.rktmalaysia.com