



MALAYSIAN COMMUNICATIONS AND MULTIMEDIA COMMISSION

FREQUENTLY ASKED QUESTION ON LICENCE FEE REBATES

1. Q: Who can apply for rebate?

A: Only an Individual licence holder (i.e. NFP, NSP and CASP) that is bound to pay the maximum fees (i.e. 0.5% of Gross Annual Turnover) is eligible to apply for rebate. Licensees that only pay total fees of RM50,000.00 per licence do not qualify for rebate.

2. Q: How will I know that I am eligible to apply for rebate?

A: You will receive a notice advising you on the maximum rebate entitlement.

3. Q: When do I need to submit the rebate application?

A: The application needs to be submitted within 30 days from the date of the notice.

4. Q: Where can I get the application form for rebate?

A: The application form is published in the MCMC website and can be downloaded. Please refer to link below for the application form:
<http://www.mcmc.gov.my/skmmgovmy/files/attachments/Rebates-ApplicationForm.pdf>

5. Q: How do I calculate the rebate entitlement?

A: A self calculation template is provided in the MCMC website. A sample of completed self calculation template is also provided for easy reference. Please refer to link below:

<http://www.mcmc.gov.my/skmmgovmy/files/attachments/SelfCalculationSample.pdf>

6. Q: What are the relevant documents that need to be submitted for the rebate application?

A: The website also provides a checklist for the application for licence fee rebate. The items required for submission are as follows:

- a. Application form;
- b. The appendices (i.e. Appendix A to E) set out in the Rebates Guidelines;
- c. Certified true copies of the invoices/receipts of expenses;
- d. Write up justifying whether the specific items being claimed for fall within the definition provided in the Rebate Guidelines;
- e. A duly completed self calculation rebate template;
- f. Submission to be made in 2 sets [one (1) original copy and one (1) duplicate copy]; and
- g. To also have softcopies of the appendices in item b above in one compact disc (CD).

7. Q: What will happen if the submission is incomplete?

A: The application will be rejected and will be informed by a letter highlighting the missing documentation/information. The applicant can re-submit the application with complete documentation within fourteen days from the date of receipt of the rejection letter.

8. Q: What are the eligible industry development items for the purpose of licence fee rebates?

A: For the purpose of licence fee rebates, there are five (5) eligible industry development items. The items are as follows:

- a. Research & development (R&D);
- b. Skills training;
- c. Minority investments in Small and Medium Industry (SMIs);
- d. Malaysian value added procurement from Malaysian SMIs; and
- e. Local content and production.

9. Q: Is it compulsory to apply for all industry development items?

A: It is not compulsory to apply for all industry development items. You can apply for items which are related to the actual expenses incurred.

10. Q: Can I appeal if the rebate claim is rejected?

A: No, the decision made by the Commission is final.

11. Q: In terms of R&D, what are the types of R&D eligible for rebates?

A: The R&D activities must be conducted in Malaysia and confined to the communications and multimedia sector such as in the core areas of network, network services, applications and content applications. Enhancement or improvement to the existing technology in the form of products or services can be considered as part of R&D activities. R&D on branding of the licensee's commercial image or any surveys (whether done by the licensee or any external party) would not be considered.

12. Q: The R&D undertaken by our company usually takes more than 1 year to complete. What is the allowable cost?

A: As stated in the Rebate Guidelines, the allowable cost is the total cost of the eligible R&D. However if the duration of the R&D exercise is more than a year, only the actual R&D cost for the relevant financial year is considered for the respective year.

13. Q: Can I claim for soft skills training?

A: Yes, soft skills training such as customer service, supervisory skills, grooming and other similar training are eligible for rebate.

14. Q: Can I claim for scholarship under skills training?

A: The claim can be considered with a condition that the scholarship is only for the employee of the company and the area of study must relate directly to under communication and multimedia industry.

15. Q: Can I claim for skills training without providing the brief synopsis of the course?

A: No. The licensee is required to provide brief synopsis of each course in order for the Commission to evaluate.

16. Q: What is definition of SMIs?

A: You may refer the definition of SMIs in the following link:
<https://www.smecorp.gov.my/index.php/en/policies/2020-02-11-08-01-24/sme-definition>

17. Q: What kind of product or services qualified for eligible deductions under Malaysian Value Added Procurement from Malaysian SMIs?

A: The Commission would consider the products or services procured from local SMIs which contain elements of enhancement which would contribute towards the creation of high technology and specialised companies. This would include high precision products or services which requires a high level of expertise. The licensee must show the element of value add in each claim. Examples include advanced electronics such as design, development or manufacture of computers, microprocessor applications, communications equipment and integrated circuits, value added consultations, installation and configuration maintenance.

18. Q: Can I claim for indirect cost such as transportation cost under Malaysian Value Added Procurement from Malaysian SMIs?

A: No. Product and services that are not directly involved in the communications and multimedia operations are not eligible for rebate. Examples include incidental cost or indirect cost such as advertising, promotion and marketing related product or services, maintenance of outlets, installation of projector or air conditioner or supply and refill diesel on the generator set.

19. Q: Can I claim for TV commercials and info commercials for the purpose of product campaign, under the local content and production category?

A: No. TV commercials and info commercials are not considered for rebates.