



Sales Tax on Low-Value Goods Imported to Malaysia FedEx Shipping Guide

Effective 1st January 2023, Malaysia has imposed sales tax on Low-Value Goods (LVG) not exceeding RM500 from abroad sold online by sellers and delivered to consumers in Malaysia. However, sales tax on LVG will only be charged from 1st January 2024.

The sales tax on LVG shall be charged and levied at the rate of 10% on the sales value of LVG, not including transportation & insurance costs and any other tax or duties chargeable and payable on the sales of LVG.

Effective 1st January 2023, sellers with a total sales value of LVG brought into Malaysia in a 12-month period (current and preceding or succeeding 11 months) exceeding RM500,000 is liable to be registered as Registered Seller (RS). The LVG Registration Number (LVGRN) will be provided by the Royal Malaysian Customs Department (RMCD) to eligible sellers who have successfully submitted their applications via MyLVG portal.

For more information, visit the Royal Malaysian Customs Department (RMCD) official portal at <https://lvg.customs.gov.my>.

What's the move?

Both local and overseas sellers that meet the criteria must:

1. Apply for Registered Seller (RS) at <https://lvg.customs.gov.my>
2. Indicate the LVGRN on your Air Waybill or Consignment Note



How to indicate the applicable LVGRN details using FedEx Ship Manager or fedex.com/my

STEP
01

Get ready your LVGRN in the below format:

Local RS : YYMM010001
Overseas RS : YYMM020001

Note:
YY=Year; MM=Month;
01=local RS; 02=overseas RS;
0001=RS sequent number



Tax ID

RECIPIENT TAX ID NO. (OPTIONAL)

SENDER TAX ID NO. (OPTIONAL)

STEP
02

Insert LVGRN in the "**Sender Tax ID**" field on FedEx Ship Manager or fedex.com/my in a specific format shown above for each shipment valued at MYR500 or less



Tax ID

RECIPIENT TAX ID NO. (OPTIONAL)

SENDER TAX ID NO. (OPTIONAL)

YYMM020001|

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Frequently Asked Questions (FAQs)

1

Where can I get further information on this new legislation?

Visit the Royal Malaysian Customs Department (RMCD) official portal at <https://lvg.customs.gov.my> or email to mylvg@customs.gov.my for further information

2

Where can I get further assistance on FedEx shipping software to provide Low-Value Goods (LVG) registration number?

Contact your local FedEx Technical Support team for all enquiries or assistance on FedEx automation products and applications. Contact details can be found on fedex.com/my.

3

If I fail to provide FedEx with the LVG registration number, will my shipments be delayed?

Businesses that are treated as registered sellers are legally required to ensure that relevant tax information is provided to transporters. If this information is not provided electronically, FedEx will proceed with the customs clearance process and deliver as normal, but the merchant may be subject to penalties applied by the RMCD for non-compliance, further details of which can be found on the RMCD website.

4

How do I know if I am required to register as LVG registered seller?

Any seller with the total sales value of LVG brought into Malaysia by land, sea or air mode in a 12-month period (current and preceding or succeeding 11 months) exceeding MYR500,000 is liable to be registered as RS (Registered Seller). Please contact RMCD for further information.

5

Will FedEx share my LVG registration number with the RMCD?

Transporters are required by the legislation to electronically report shipment details received from merchants to the RMCD at the time of importation into Malaysia.

6

What is the definition of a seller who is liable to pay sales tax on LVG?

A “seller” means a person, whether in or outside Malaysia, who sells LVG on an online marketplace or operates an online marketplace for the sales and purchase of LVG; a “registered seller” means any seller who is registered under Section 13.

7

What if any shipment to Malaysia has a declared value of more than RM500?

There is no change to the current process. Sales Tax on High-Value shipments will continue to be collected from the importer or shipper or 3rd party as per AWB instruction at the time of importation.