

## **STAMP DUTY – STAMP DUTY ACT 1949**

In addition to Legal Fees, a buyer will also need to pay ad valorem stamp duty on the property transfer.

Stamp Duty (Remission) Order 2016 comes into operation on 1 January 2017.

The terms and conditions to apply for the stamp duty remission as below :-

1. Purchase of only one unit of **residential property** the **value** of which is not more than RM500,000.00 by an **individual** who is a Malaysian citizen;
2. Sale and purchase Agreement for that purchase of the residential property is executed on or after 1 January 2017 but not later than 31 December 2018;
3. The individual has never owned any residential property including obtained by gift e.g. from parents / grandparents etc (first time residential property buyer)
4. The application shall be accompanied by a statutory declaration

### **Residential property**

means a house, a condominium unit, an apartment or a flat purchased or obtained solely to be used as a dwelling house

### **Individual**

means a purchaser or co-purchasers

### **Value**

shall be based on the market value

### **Amount remitted rate :**

<i>Value of the residential property</i>	<i>Amount remitted</i>
RM300,000.00 or less	100 % (no stamp duty to be payable) <b>**1</b>
More than RM300,000.00 until RM500,000.00	RM5,000.00 from the total amount of stamp duty chargeable <b>**2</b>

<i>Consideration or Adjudicated Value</i>	<i>Ad-Varolem Stamp Duty</i>
First RM100,000.00	1%
Next RM400,000.00	2%
Thereafter	3%

**Example 1 : 100% exemption**

Property at RM300,000.00	Ad-Varolem Stamp Duty	Amount RM	
First RM100,000.00	1%	1,000.00	(1)
Next RM200,000.00 (RM300,000.00 less RM100,000.00)	2%	4,000.00	(2)
Total before remission		5,000.00	(1) + (2)
Less : Remission amount 100%		(5,000.00)	<b>**1</b>
Total stamp duty payable		<b>0.00</b>	=====

**Example 2 : Property value from RM300,000.00 to RM500,000.00**

Property at RM450,000.00	Ad-Varolem Stamp Duty	Amount RM	
First RM100,000.00	1%	1,000.00	(1)
Next RM350,000.00 (RM450,000.00 less RM100,000.00)	2%	7,000.00	(2)
Total before remission		8,000.00	(1) + (2)
Less : Remission amount		(5,000.00)	<b>**2</b>
Total stamp duty payable		<b>3,000.00</b>	=====

**Example 3 : 2 Purchaser, 1 is first time buyer and another 1 not eligible**

Property at RM450,000.00	Ad-Varolem Stamp Duty	Amount RM	
First RM100,000.00	1%	1,000.00	(1)
Next RM350,000.00 (RM450,000.00 less RM100,000.00)	2%	7,000.00	(2)
Total before remission		8,000.00	(1) + (2)
Less : Remission amount (RM5,000.00 / 2)		(2,500.00)	
Total stamp duty payable		<b>5,500.00</b>	=====

### Loan Agreement

The same is applicable for LOAN AGREEMENT for first time residential property buyer, BUT the rate is different:

#### Amount remitted rate :

<i>Value of the residential property</i>	<i>Amount remitted</i>
RM300,000.00 or less	100 % (no stamp duty to be payable) <b>**1</b>
More than RM300,000.00 until RM500,000.00	RM1,500.00 from the total amount of stamp duty chargeable <b>**2</b>

#### Example 1 : 100% exemption

<b>Property at RM300,000.00</b>	<b>Stamp Duty Payable %</b>	<b>Amount RM</b>	
90% loan margin i.e. RM270,000.00 (RM300,000.00 x 90%)	0.5%	1,350.00	(1)
Total before remission		1,350.00	(1)
Less : Remission amount		(1,350.00)	<b>**1</b>
Total stamp duty payable		<b>0.00</b>	

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#### 例子 2 : 居住用建筑产业市值介于 RM300,000.00 – RM500,000.00

<b>Property at RM450,000.00</b>	<b>Stamp Duty Payable %</b>	<b>Amount RM</b>	
90% loan margin i.e. RM405,000.00 (RM450,000.00 x 90%)	0.5%	2,025.00	(1)
Total before remission		2,025.00	(1)
Less : Remission amount		(1,500.00)	<b>**2</b>
Total stamp duty payable		<b>525.00</b>	

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