

1) Which policies will be affected?

With effect from 1 September 2018, the Sales and Service Tax (SST) will be implemented in Malaysia. Service tax will only be applicable to life insurance policies where the policyholder is a business organization. Service tax shall be chargeable based on the prevailing rate of 6% on the actual premium paid.

2) How will the new premium amount be communicated?

We will be announcing the new premium amount via SMS to the affected policyholders. In addition, customers may also visit Manulife website or login to eLITE customer portal to obtain information on the SST and how it impacts their policies with us. Agents can log into the ePRO system to check the premium.

3) What do I need to do if my premium amount is affected?

- a) For payments via Standing Instruction: please contact your Bank to update the payment amount.
- b) For payments via Autobilling (Credit Card/Debit Card/FPX/Autodebit): no action is required, we will collect the updated premium amount
- c) For payments via other methods: please ensure that you are paying the correct, updated amount.

4) What about premiums which are outstanding but only paid after 1 September 2018? Will service tax be charged?

All life insurance premiums for business policies that are due from 1 September 2018 onwards will be subject to service tax of 6%. Premiums which are due prior to 1 September 2018 will not be charged with any taxes.

5) What about policies where premium has already been paid in advance? Will the service tax differential be collected?

Where premiums and GST on premiums have been paid in advance, the portion that spans over 1 September 2018 shall not be subject to service tax.

6) For new applications submitted between 1 June – 31 August, but only approved on the 1st of September onwards, will any GST or SST be charged?

Where a new application is submitted between 1 June 2018 and 31 August 2018, and the insurance coverage commencement date is on or after 1 September 2018, Service tax shall be chargeable.

7) Who can customers and agents contact if they need more information on the SST and how it impacts their policies?

Customers can contact our customer service hotline at 1300 13 2323, and our customer service representatives would be happy to assist on customers' queries on SST and SST related matters on customers' policies with Manulife.

Agents can contact our Agency & Distribution Care Line at 1300 13 0026, 03-2719 9124 or refer to ePRO for further information.

For agents only:

Will there be an updated version of ePOS being release in conjunction with this change?

There will be a new release to incorporate the necessary changes. Please refer to the upcoming Agency Circular.