

MM2H



Sarawak-Malaysia My Second Home New Licensing for Agents

Starting on

1st January 2025!



NEW LICENSING FOR SMM2H AGENTS

Everest Gantú

1.0 APPLICATION REQUIREMENTS FOR AGENT

1.01 The agent company must be a private limited company registered and incorporated under the Companies Act 2016 [Act 777];

1.02 Complied the requirement of having a paid-up capital of RM100,000;

1.03 The bank account company shall only be signed by the shareholders and company director or any person officially appointed by the company.

1.04 All shareholders of the company must be Malaysian citizens and born Sarawakian, and the ownership entity of the company must be owned by Sarawakian;

1.05 All shareholders must not hold any interest (share equity) in any other SMM2H companies licensed under the Tourism Industry Act 1992 [Act 482];

1.06 Foreign nationals are not permitted to be the members of the board of the director in the company.

1.07 The Board of Directors of the company must be Malaysian citizens with majority of 51% Sarawakian.

1.0 APPLICATION REQUIREMENTS FOR AGENTS

1.08 The employment of the management and professional structure in the company must be with a majority or more than 51% Sarawakian.

1.09 The application for the agent company must include the term name 'SMM2H'. For example: ABC (SMM2H) Sdn. Bhd.

1.10 The nature of business stated in the SSM e-info must specify that the business conducted pertains to SMM2H, consultancy, or other related business activities.

In the event, that an SMM2H agent ceases operations, the agent is responsible for notifying the Ministry immediately regarding the cessation of business.

1.11 The Parent company or branches may operate in any divisions in Sarawak.

1.12 The requirement of the size of the business premises of the agent company is subject to the rules and regulations on the permit application by the relevant authorities related.

1.13 SMM2H companies are given authorized to promote and engage with international participants and companies from abroad.

1.0 APPLICATION REQUIREMENTS FOR AGENTS

1.14 In the event that the agent company has engaged with any foreign business entity/individual, then the agent company must submit the contract together with the relevant supporting documents required within thirty (30) days from the date of the contract to the Permanent Secretary of the Ministry of Tourism, Creative Industry and Performing Arts (MTCP). The detail of the contract are as specified in Appendix A.

1.15. The SMM2H operator company may impose service charge to SMM2H participants in accordance with the Price Control and Anti-Profiteering Act 2011 [Act 723]; as follows:

- a. RM12,960.00 for each of SMM2H participant;**
- b. RM 2,160.00 for each dependent of SMM2H.**

The service charges are inclusive of 8% Service Tax pursuant to the Service Tax Act 2018 [Act 807] and exclude all other applicable government fees, immigration bonds, third-party expenses, and incidental costs.

All appointed agents are required to be registered under the Service Tax Act 2018 [Act 807] and comply with all applicable provisions of the Act.

1.0 APPLICATION REQUIREMENTS

1.16. SMM2H agent company may require the service fee with a maximum deposit of 20% as an advance for application for SMM2H participant and the remaining payment can be made after the successful application for SMM2H participants with the pass/document printed.

**** The service fee will be reviewed every 5 years based on inflation and the exchange rate of the Malaysian currency.***

1.17. The agent company shall submit a Bank Guarantee with total of RM100,000.00 to the Permanent Secretary of the Ministry of Tourism, Creative Industry and Performing Arts Sarawak for the purpose of compensation, refunds, or protection for SMM2H participants.

1.18 Based on the paragraph 1.17 above, the Sarawak Government has the right to make a deduction or confiscation of the Bank Guarantee provided by the Company, if the Company is found to:

- a. Impose service charges that do not comply with the rates stated in paragraph 1.15;**
- b. Take deposits exceeding the maximum percentage stated in paragraph 1.16; and/or**
- c. Fail to perform its function as an agent for SMM2H participants."**

1.0 APPLICATION REQUIREMENTS

1.19. The company is required to provide standard terms and conditions for the agreement with the SMM2H participant, in accordance with the format as outline in Appendix C.

1.20. The company must be free from any compounds under the Tourism Industry Act 1992 [Act 482] or the Tourism Vehicle Licensing Act 1999 [Act 594](Sabah, Sarawak and Labuan FT) and any outstanding 'award' claims in the tourism sector at the Malaysian Consumer Claimst Tribunbal (TTPM).

This also includes proposals for improvements on related regulations or other laws in Sarawak.

1.21. The company is responsible for properly carrying out all services related to SMM2H participants as outlined in Appendix D. Failure to fulfill the responsibilities as stated in Appendix D will be considered a breach of the license conditions and may result in action being taken against the company.

2.0 DOCUMENTS

2.1. A colored photocopy of the MyKad (Malaysian Citizen) for all shareholders and Board of Directors members.

2.2. A Letter of Undertaking from the Director of the Company, Form BA/2 as outlined in Appendix E.

2.3. A confirmation letter of PERKESO registration for the company as required under the Employees' Social Security Act 1969 for statutory purposes and contributions to PERKESO/EPF (Employee Provident Fund).

2.4. Banking Information:

- a. The front page of the bank account statement for all banks under the name of the applying company; and**
- b. Director Resolution showing the name of the individual authorized to manage the company's bank account.**

2.5. A colored photocopy of the Passport/ Identity Card (Malaysia Citizen) for the Board of Directors members.

2.0 DOCUMENTS

2.6 A copy of the Bank Guarantee amounting to RM100,000.00, in the format as outlined in Appendix B, must be submitted to the agency that responsible for overseeing SMM2H within 30 days from the date of the license signed by the Permanent Secretary of the Ministry of Tourism, Creative Industry, and Performing Arts of Sarawak, for the purpose of compensation, refunds, or protection for SMM2H participants.

2.7. Terms of Reference for the Company for the Management of Domestic Tourism in Sarawak (SMM2H) (Do's and Don'ts Form) as outlined in Appendix F.

2.8. A copy of the template for the uniform terms and conditions of the agreement for SMM2H participants managed by the company (Appendix C).

2.9. A copy of the contract template made with any foreign business entity/individual. (Appendix A)

3.0 APPLICATION PROCEDURE:

3.1 All applications must be submitted manually (*Postal Order/online payment) to the SMM2H Licensing Unit, MTCP.

***Online application shall be implemented once it is available.**

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****Online application shall be implemented once it is available.***

4.0 PROCESS FEE:

4.1. Any payment of the Processing Fee shall be made manually via Bank Draft to MOTAC amounting to RM100.00 for each application.

5.0 APPLICATION RESULT:

5.1. The results of application will be informed manually until online applications are implemented.

6.0 REQUIREMENT FOR PREPARATION OF PREMISES:

6.1. Upon the APPROVAL of the application by the Approval Committee, the applicant shall provide their business premises permit within six (6) months from the date of the approval letter from the MTCP with the following criteria:

- a. The size of the business premises is subject to any legitimate business premises that meet the requirements and conditions for permits by the relevant authorities.**
- b. The operation premises must be structured and have a fixed address.**
- c. The location/commercial area must be licensed OR permitted by the local authorities (PBT) in all parts of Sarawak.**

(Note: The provisional approval issued is valid for a period of six (6) months only from the date of the notification letter. Failure by the applicant to provide the premises and complete the supporting documents as mentioned above will result in the approval being revoked, and a new application must be submitted.)

6.0 REQUIREMENT FOR PREPARATION OF PREMISES:

6.2. For the purpose of inspection, the applicant must submit the following documents:

- a. A copy of the tenancy agreement (Tenancy Agreement) signed by the company owner, stamped, and still valid, or a copy of the Sales & Purchase (S&P) agreement if the premises are owned by the company, and a letter of permission or lease issued by the local authority (PBT);**
- b. A floor plan sketch;**
- c. Colored photos of the interior and exterior of the premises; and**
- d. A permanent business signboard outside the premises (subject to the suitability and approval of the PBT/building owner).**
- e. A copy of valid trade licence.**

6.0 REQUIREMENT FOR PREPARATION OF PREMISES:

6.3 Inspection of the premises will be conducted at anytime during the company's operation period by the responsible agency for overseeing SMM2H.

6.4. The company shall submit a copy of the valid Travel and Tour Management Course (TTMC) certificate, which must be valid for at least one year from the date of attending the course.

6.5. At least one company representative must have attended the TTMC course organized by a licensed Tourism Training Institute (ILP). The company representative is as follows:

- a. Board of Directors member; or**
- b. Staff involved in the management of the company (e.g., Executive/Chief Executive Officer/Chief Operating Officer/General Manager, or other company-appointed management representatives)**

6.0 REQUIREMENT FOR PREPARATION OF PREMISES:

6.6. The application shall be submitted through a written notice to MTCP. *Online application shall be implemented once it is available.

6.7. In the event that if the applications is NOT APPROVED, the agent company may a written appeal to the responsible agency for SMM2H within 30 days from the date the rejection notice, together with the relevant supporting documents. The appeal can only be made once, and any decision to the appeal application is final.

7.0 CLIENT CHARTER:

7.1. Notification of conditional application results: 5 working days from the date the documents are approved by the License Application and Appeal Committee.

**7.2. Issuance of license:
The license shall be issued to the applicants upon the full payment of the license fee being made.**

8.0 REMINDER:

8.1. The Permanent Secretary of the Ministry of Tourism, Creative Industry, and Performing Arts of Sarawak, may revoke a license/take action under Act 482 if they are satisfied that the licensed tourism operation has, either in relation to the application for the license or at any time after the granting of the license, either verbally or in writing, provided the Permanent Secretary of the Ministry of Tourism, Creative Industry, and Performing Arts of Sarawak with false, misleading, or inaccurate information, documents, or declarations made by or on behalf of the tourism operator or by or on behalf of any person who is or will become a director, controller, or manager of the licensed operation.

9.0 LICENSE FEE:

Domestic Tourism Operations Business (SMM2H)

License Fee: RM2,500.00 per year

Additional License Fee (Branch): RM1,500.00 per year

10.0 GUIDELINES

This guidelines will be effective from 1 JANUARY 2025.