

Service Tax (SST) on HSBC banking products effective 1 October 2025

Dear Valued Customers,

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Following the joint media statement by the Association of Banks in Malaysia ("ABM"), Association of Islamic Banking and Financial Institutions Malaysia ("AIBIM"), and Malaysian Investment Banking Association ("MIBA") on June 25, 2025, HSBC Malaysia Bank Berhad and HSBC Amanah Bank Berhad ("HSBC" or "the Bank") will be imposing an 8% Service Tax ("SST") on applicable fees and commission-based financial services.

As per the guideline issued by Ministry of Finance ("MOF") on June 9, 2025, this will be rolled out in two phases:

Phase 1 – Effective July 1, 2025: The 8% SST applies to certain financial services that are charged for fees or commission. For details, please refer to Appendix A of the Guide On: Financial Services published by Royal Malaysian Customs Department (Sales & Service Tax Division) ("Guideline").

Phase 2 – Effective October 1, 2025: The 8% SST will extend to financial services charged for fees or commissions not listed in Appendix A of the Service Tax guideline.

We would like to reassure you that there are several exclusions and exemptions. Publicly available basic banking services, such as fees for current and savings accounts for both conventional and Islamic banking services, will continue to be exempted from service tax.

To ensure complete compliance and to minimize interruption to your banking experience, HSBC has embarked on several system enhancement to ensure service tax are being collected based on taxable service list provided by Royal Malaysian Customs Department. These will be progressively rollout by the bank in stages and completed by end 2025.

For more information on how Service Tax Expansion impacts HSBC services fees and charges, you may refer [here](#).

Should you have further questions, feel free to contact us via our Contact Centre hotlines below or visit any HSBC / HSBC Amanah branch near you.

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HSBC Premier	1300 88 9393	+603 8321 5208
HSBC Bank Malaysia	1300 88 1388	+603 8321 5400
HSBC Amanah Malaysia	1300 80 2626	+603 8321 5200

Issued by: HSBC Bank Malaysia Berhad & HSBC Amanah Malaysia Berhad