

# FAQs

## Information on Credit Card Service Tax

Get all your answers about the Credit Card Service Tax from the FAQs below :-

### Q1. What is this Credit Card Service Tax?

A1. In the 2010 Budget announcement, the Government proposed to impose an annual Service Tax of RM50 for all Principal Credit Cards & Charge Cards and RM25 for Supplementary Cards effective 1 January 2010. The objective of the Credit Card Service Tax is to promote prudent spending to all Credit Cards and Charge Cards users.

### Q2. When is the Service Tax effective and how is it being charged?

A2. The Credit Card Service Tax will be effective 1 January 2010 and becomes chargeable when the card is opened for new cardmembers or on the anniversary date for existing cardmembers.

#### Example 1: New card opened, valid for 5 years

A new Credit Card is opened to a new cardmember on 8 March 2010 with a validity period of 5 years. The Credit Card Service Tax would be chargeable on 8 March 2010, the open date of the card and on every subsequent anniversary date i.e. 8 March 2011, 8 March 2012, 8 March 2013 and 8 March 2014.

#### Example 2: Existing card, valid for 5 years

An existing Credit Card was opened to cardmember on 18 May 2008 with a validity of 5 years. The Credit Card Service Tax will be chargeable when the Credit Card is renewed on 18 May 2010, 18 May 2011 and 18 May 2012.



UOB ONE Card

Groceries + Petrol +  
Dining + Shopping +  
Bills + Hobbies

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Average Yearly Savings:  
**RM1,482.43**

### Q3. Will I be charged for this Service Tax?

A3. The Service Tax is applicable to all Malaysian Credit Cards after 1 January 2010.

### Q4. Can UOB waive this Service Tax?

A4. Since this is a Government Service Tax, banks are not allowed to waive it. However, cardmembers are encouraged to use their UNIRinggit Rewards Points or Smart\$ Cash Rebates (or the Cash Bonus, for Commercial Cards) to pay for the Service Tax.

### Q5. Can I use UNIRinggit points or Smart\$ Cash Rebates to redeem for the Credit Card Service Tax?

A5. Yes. UOB is offering cardmembers a special rate of 10,000 UNIRinggit / RM50 Smart\$ Cash Rebates to redeem against the Credit Card Service Tax of RM50 for a principal card and 5,000 UNIRinggit / RM25 for a supplementary card.

[Click here for redemption of Credit Card Service Tax.](#)



UOB Preferred Platinum Card

Travelling Overseas +  
Dining + Shopping

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Average Yearly Savings:  
**RM4,166.25**

### Q6. How many times can I use my UNIRinggit or Smart\$ Cash Rebates to redeem the Service Tax?

A6. There is no restriction as long as you have enough UNIRinggit Points or Smart\$ Cash Rebates for the redemption of the Credit Card Service Tax.

### Q7. I have 2 cards. Will I be charged twice for this fee? Is the charge per card or per customer?

A7. The Credit Card Service Tax of RM50 for every Principal Card and RM25 for every Supplementary card will be charged.

### Q8. I am currently being charged an annual fee. Will I also be charged for this Service Tax?

A8. The Service Tax is a fee imposed by the Government while the Annual Fee is charged by the bank.



UOB Lady's Card

Shopping + Health  
and Beauty + Dining

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Average Yearly Savings:  
**RM1,254.95**

### Q9. I have a cancelled card with outstanding balance. Will I still be charged for the Service Tax?

A9. No, UOB will not charge you with the Service Tax when your cancelled card with outstanding balance crosses into the next card anniversary date i.e. when the Service Tax is due.

### Q10. How will the Service Tax be imposed? Via card statement or payment to LHDN?

A10. The Service Tax will be debited into your Card Statement and UOB will then forward the Service Tax to the government.

### Q11. I have just paid the Credit Card Service Tax 3 months ago. Would I be charged the Service Tax again if I change my card?

A11. No Credit Card Service Tax will be imposed for cards replaced due to loss, damage or fraud. However you will be charged the Credit Card Service Tax if it is due to card upgrade or card downgrades i.e. Gold to Platinum or vice versa.



UOB VOX Card

Shopping +  
Clubbing + Movies

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Average Yearly Savings:  
**RM799.20**

### Q12. If my card is cancelled before the card anniversary date, would I be charged the Credit Card Service Tax?

A12. No Service Tax will be imposed for cards cancelled before the card anniversary date.

### Q13. If I re-apply for a new card 1 month after I cancelled my previous card, would I be charged the Credit Card Service Tax?

A13. This is considered a new card opened and the Credit Card Service Tax will apply.

### Q14. Is this applicable to debit card?

A14. No. It's only applicable to all Credit Cards and charge cards.



UOB Classic/Gold Card

Shopping +  
Dining + Travel

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Average Yearly Savings:  
**RM1,315.60**

### Q15. I upgraded from Classic to Gold after my card anniversary date in 2010. Will my first Service Tax payment cover the upgraded card?

A15. No, your first Service Tax payment was made for the Classic card. If you have upgraded your card to Gold after that, the Service Tax will be imposed for the Gold card which is considered a new card. UOB recommends card upgrades/downgrades to be done before the card anniversary date.

### Q16. I applied for a Credit Card after the Service Tax implementation and have not activated or spent on the card, and now I want to cancel the card. Will I get a refund on the Service Tax?

A16. No, the Service Tax that has been paid for new cards will not be refunded.