GUIDELINES ON GITA PROJECTS
Guidelines on GITA Projects

Rate of incentive

- Green Investment Tax Allowance (GITA) of 100% of qualifying capital expenditure incurred on green technology project from the year of assessment 2013 (date on which the first qualifying capital expenditure incurred is not earlier than 25th October 2013) until the year of assessment 2020.
- The allowance can be offset against 70% of statutory income in the year of assessment.
- Unutilised allowances can be carried forward until they are fully absorbed.
## Guidelines on GITA Projects

### Key Features

- Equipment/assets in the GITA projects must be owned by the company.
- Main equipment/assets in the GITA projects must be recognised and registered under the MyHIJAU Mark or have product certification that is recognised and accepted by GreenTech Malaysia.
- Renewable Energy projects which have been approved with Feed-in Tariff (FiT) for solar energy by the Sustainable Energy Development Authority (SEDA) are not eligible for the incentive.
## List of Qualifying Activities

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<th>No.</th>
<th>Qualifying Activity</th>
<th>Remarks</th>
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| 1.  | Renewable Energy               | Commercial and industrial business entities which undertake generation of energy by using renewable energy resources such as:  
  - Biomass, Biogas, Mini hydro, Geothermal & Solar power                                                                                     |
| 2.  | Energy efficiency              | Companies investing in energy efficient equipment or technologies and / or to replace old inefficient equipment and invest in energy saving equipment.                                                     |
| 3.  | Green building                 | Building owners of the commercial / industrial building that have been awarded green building certificates from locally developed rating tool/certification body approved by the Government. |
| 4.  | Green Data Centre              | Companies that purchased any energy efficient product or solution for data centre.                                                                                                                     |
| 5.  | Waste Management               | Companies which undertake / invest in waste recycling or waste recovery or waste treatment and additional activities such as composting or store or collection or disposal. |
GITA Projects – Process Flow (Application to MIDA)

1. Applicant should check eligibility to facilitate claim on GITA Projects
2. Applicant must submit application to MIDA (Form GT/JA)
3. MIDA will receive complete application from applicant
   - Yes: MIDA shall prepare evaluation report
   - No: MIDA will request further information and verification
4. Approval by National Committee on Investment (NCI) and MIDA will issue an Interim Approval Letter
GITA Projects – Process Flow

Applicant submits application to GreenTech Malaysia together with:
- Duplicate of **MIDA GT/JA Form**
- Interim Approval Letter from MIDA
- Processing fee

GreenTech Malaysia validate the project that complies with the GT project criteria

Comply

GreenTech Malaysia issue a Validation Letter to applicant

Applicant submits tax form to IRB together with the Validation Letter from GreenTech Malaysia

GreenTech Malaysia request further information and verification

Not comply
Verification on GITA Projects

- GreenTech Malaysia’s role is to verify the technical requirement including the main equipment/assets as major components for the performance and green impact from the project.

- The verification for GITA Projects will be based on the following requirement:-
  - 60% of main equipment/assets in the GITA Projects must be recognised and registered under the MyHIGAU Mark or have product certification that is recognised and accepted by GreenTech Malaysia.
  - Project’s impacts to the environment i.e. GHG emission reduction, waste reduction, fuel savings, environmental improvement, energy consumption savings and water consumption savings.