

**Life insurance exempted from GST – Bernama
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Life insurance is exempted from the goods and services tax (GST), says Life Insurance Association of Malaysia (LIAM).

In a statement today, the association said among the GST-free products were whole life, endowment, child, education insurance and annuity policies.

However, premiums for non-life riders such as critical illness, medical and health and personal accident would be subjected to GST, it said.

LIAM said non-life riders were defined as riders which did not cover natural death.

While premiums for investment-linked policies would not attract GST, the fees and charges imposed on these policies such as policy fees would be subjected to GST.

"For policies paying through direct debit facilities, insurance companies will work with banks to increase the authorisation limit accordingly to include GST," LIAM said.

LIAM has 16 members – 14 life insurance and two life reinsurance companies. – Bernama, March 6, 2015.

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