



LAWS OF MALAYSIA

Act A1757

LABUAN TRUSTS (AMENDMENT) ACT 2025

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LAWS OF MALAYSIA

Act A1757

LABUAN TRUSTS (AMENDMENT) ACT 2025

An Act to amend the Labuan Trusts Act 1996.

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ENACTED by the Parliament of Malaysia as follows:

Short title

1. This Act may be cited as the Labuan Trusts (Amendment) Act 2025.

Amendment of section 2

2. The Labuan Trusts Act 1996 [*Act 554*], which is referred to as the “principal Act” in this Act, is amended in section 2—

- (a) in the definition of “resident”, by substituting for the words “pursuant to section 43 of the Exchange Control Act 1953 [*Act 17*]” the words “pursuant to paragraph 214(6)(a) of the Financial Services Act 2013 [*Act 758*] and paragraph 225(6)(a) of the Islamic Financial Services Act 2013 [*Act 759*]”; and

(b) by inserting after the definition of “authorized officer” the following definition:

‘ “beneficial owner” means a natural person who controls or benefits directly or indirectly from the property or asset of a Labuan trust, and includes a person who exercises effective control and influence in the Labuan trust as may be determined by the Authority;’.

Amendment of section 7

3. Section 7 of the principal Act is amended—

(a) in subsection (2), by substituting for the words “any Malaysian property” the words “any property which is situated in Malaysia”; and

(b) by deleting subsections (5), (6) and (7).

Amendment of section 14

4. Section 14 of the principal Act is amended—

(a) in subsection (2), by deleting the words “and shall be the address for service of any documents upon the trust”; and

(b) by inserting after subsection (2) the following subsection:

“(3) For the purposes of this Act, any document served under this Act shall be deemed to have been served on a Labuan trust if the document—

(a) is left at, or sent by ordinary or registered post to the last known address of the registered office of the Labuan trust; or

(b) is sent by electronic means to the address or numbers provided by the Labuan trust or the trustee of a Labuan trust.”.

New Part IIA

5. The principal Act is amended by inserting after section 21 the following part:

“PART IIA

BENEFICIAL OWNERSHIP

Register of beneficial owners of Labuan trust

21A. (1) A trustee shall keep a register of beneficial owners of the Labuan trust and record in the register—

- (a) the full name, addresses, nationality, identification and usual place of residence of a person who is a beneficial owner of the Labuan trust;
- (b) the date the person becomes a beneficial owner of the Labuan trust;
- (c) the date the person ceases to be a beneficial owner of the Labuan trust; and
- (d) such other information as may be determined by the Authority.

(2) The register of beneficial owners of the Labuan trust shall be kept at the registered office of the Labuan trust.

(3) A trustee shall lodge with the Authority a notice on any change to the particulars in the register of beneficial owners of the Labuan trust.

(4) Any notice required under subsection (3) shall be lodged within thirty days from the date on which the change is recorded in the register of beneficial owners of the Labuan trust.

(5) A trustee shall retain the information of a natural person who has been recorded in the register of beneficial owners of the Labuan trust as a beneficial owner but subsequently ceases to be a beneficial owner of the Labuan trust for six years from the date the natural person ceases to be a beneficial owner.

(6) An entry relating to a natural person who ceases to be a beneficial owner of a Labuan trust under subsection (5) shall be removed from the register of beneficial owners of the Labuan trust after the expiration of six years from the date the natural person ceases to be a beneficial owner.

(7) Any trustee who submits false or misleading or inaccurate information to the Authority under this section shall be guilty of an offence.

Penalty: Fine not exceeding one million ringgit or imprisonment for a term not exceeding three years or both.

(8) The Authority shall determine the form, manner and extent of the information to be kept under subsection (1) and lodged under subsection (3).

(9) The Authority may, by notice in writing, direct a trustee of a Labuan trust to lodge with the Authority within a period as specified in the notice, information in relation to the beneficial owner kept by the trustee.

(10) The register of beneficial owners of a Labuan trust shall be *prima facie* evidence of any matters inserted in the register under this Act.

(11) The Authority may, in relation to access to the register of beneficial owners of the Labuan trust kept at the registered office of the Labuan trust or beneficial ownership information lodged with the Authority, determine—

- (a) any person who may access the register of beneficial owners of the Labuan trust or the beneficial ownership information;
- (b) the manner and terms and conditions for accessing the register of beneficial owners of the Labuan trust or the beneficial ownership information; and
- (c) the fee for the supply of the beneficial ownership information.

(12) Section 8A, subsection 15(3) and subsection 41(4) of the Act shall not apply if disclosure or access has been determined by the Authority pursuant to subsection (11).

(13) Any trustee who fails to comply with the requirements of subsection (1), (2), (3), (4), (5), (6) or (9) commits an offence and the Authority may impose an administrative penalty in accordance with section 36G of the Labuan Financial Services Authority Act 1996.

Power of trustee to require disclosure of beneficial ownership information

21B. (1) A trustee shall, by notice in writing, require any settlor, protector, trustee, enforcer or beneficiary of the Labuan trust within such reasonable time and in such manner as specified in the notice—

- (a) to inform the trustee whether the settlor, protector, trustee, enforcer or beneficiary of the Labuan trust is a beneficial owner of the Labuan trust or if the settlor, protector, trustee, enforcer or beneficiary of the Labuan trust is not a beneficial owner of the Labuan trust, as far as it is possible to do so, to indicate the persons by name and by other particulars sufficient to enable those persons to be identified as beneficial owners of the Labuan trust; and
- (b) to provide such other information as required under subsection 21A(1).

(2) Where a trustee knows or has reasonable grounds to believe that any person is a beneficial owner of the Labuan trust, the trustee shall, by notice in writing, require such person within such reasonable time and in such manner as specified in the notice—

- (a) to state whether he is a beneficial owner of the Labuan trust or if he is not a beneficial owner of the Labuan trust, to state whether he knows or has reasonable grounds to believe that any other person is a beneficial owner of the Labuan trust and to give such particulars of that person that are within his knowledge; and

(b) to provide such other information as required under subsection 21A(1).

(3) Where a trustee knows or has reasonable grounds to believe that any settlor, protector, trustee, enforcer or beneficiary of the Labuan trust or any person knows the identity of a person who is a beneficial owner of the Labuan trust, the trustee shall, by notice in writing, require the settlor, protector, trustee, enforcer or beneficiary of the Labuan trust or such person within such reasonable time and in such manner as specified in the notice—

(a) to state whether he knows, or has reasonable grounds to believe that any other person is a beneficial owner of the Labuan trust and to give such particulars of that person that are within his knowledge; and

(b) to provide such other information as required under subsection 21A(1).

(4) Whenever a trustee receives information from the person to whom the notice is given under subsection (1), (2) or (3), the trustee of a Labuan trust shall, within thirty days from the date on which the information is received, record in the register of beneficial owners of the Labuan trust—

(a) the date on which the notice requiring such information was issued; and

(b) the particulars of the information received from the person.

(5) If a trustee has reasonable grounds to believe that a change has occurred to the particulars of a beneficial owner of the Labuan trust that are stated in the register of beneficial owners of the Labuan trust, the trustee shall give notice to the beneficial owner of the Labuan trust—

(a) to confirm whether or not the change has occurred; and

(b) if the change has occurred—

(i) to state the date of the change; and

(ii) to provide the particulars of the change.

(6) If a trustee has reasonable grounds to believe that any of the particulars of a beneficial owner of the Labuan trust that are stated in the register of beneficial owners of the Labuan trust might be incorrect, the trustee shall give notice to the beneficial owners of the Labuan trust to confirm whether the particulars are correct, and if not, to provide the correct particulars.

(7) A trustee shall ensure that the Labuan trust complies with the obligations under this section.

(8) Any trustee who fails to comply with the requirements of this section shall be guilty of an offence.

Duty of beneficial owner of Labuan trust to provide information

21c. (1) A person who has reason to believe that he is a beneficial owner of a Labuan trust shall, within thirty days—

- (a) notify the trustee that he is a beneficial owner of the Labuan trust; and
- (b) provide information as may be determined by the Authority.

(2) A person who is a beneficial owner of a Labuan trust shall, within thirty days, notify the trustee of any changes in his particulars in the register of beneficial owners of the Labuan trust.

(3) A person who has ceased to be a beneficial owner of a Labuan trust shall notify the trustee, as soon as practicable, of the change by stating—

- (a) the date the cessation occurred; and
- (b) the particulars of the cessation.

(4) Any person who fails to comply with the requirements of this section shall be guilty of an offence.

Obligation of trustee of a Labuan trust to maintain and keep information up to date

21D. (1) A trustee shall maintain and keep the particulars of beneficial ownership in the register of beneficial owners under section 21A updated from time to time.

(2) A trustee shall ensure that the Labuan trust complies with the obligations under this section.

(3) Any trustee who fails to comply with this section shall be guilty of an offence.

Power of Authority to conduct examination on register of beneficial owners of Labuan trust

21E. The Authority may conduct examination as provided under section 28C of the Labuan Financial Services Authority Act 1996 [*Act 545*] on the register of beneficial owners kept by the trustee of a Labuan trust under this Part.”.

Amendment of section 54

6. Subsection 54(2) of the principal Act is amended by substituting for the words “ten thousand ringgit” the words “fifty thousand ringgit”.