

Trademark protection is governed by the Trademarks Act of 1976. Once a trademark is registered, no person or enterprise other than the owner is authorized to use it. The protection of a trademark is not limited in time, provided its registration is periodically renewed and its use continues.

Under the Patents Act of 1986, the only method of patent protection in Malaysia is by obtaining the Malaysian grant of a patent. Protection for registered patents is good for 15 years from the date of grant.

The Copyright Act of 1987 provides for comprehensive protection of copyrightable works and peripheral issues pertaining to copyright. The Act

outlines the nature of works, including computer software, eligible for copyright, the scope of protection and the manner in which the protection is accorded. Duration of protection is 50 years. A unique feature of the Act are the provisions of enforcement, which include powers to enter premises suspected of having infringing copies, power to search and seize infringing copies and contrivances and a special team of enforcement officers. Foreign works are protected if they are made or published in Malaysia within 30 days of appearing in their country of origin.

Malaysia has joined the Berne Convention on the Protection of Literary and Artistic Works.

TAXATION

Income tax is levied on individuals and companies. Companies resident in Malaysia must pay income tax on their worldwide income. Foreign companies not resident in Malaysia but carrying on business in Malaysia must pay tax on income sourced in Malaysia. The test of residence for companies is one of management and control. The corporate tax rate is a flat 34%, except for petroleum exploration companies, which are taxed at a rate of 45%. The applicable tax rates for individuals range from 2% to 34%.

A sales and service tax (SST) was introduced in the 1992 Budget. Pending

the SST's full implementation, separate sales and service taxes are levied. The sales tax of 5% to 15% is charged on goods manufactured and sold locally and on goods imported for domestic consumption. The scope of the existing service tax was enlarged in 1993 and now covers not only goods and services sold by hotels, restaurants and bars but also services provided by telecommunications companies, real estate agents and recreation clubs.

Price controls are applied to some basic commodities such as rice, sugar, milk, bread, cement, petrol, kerosene and liquefied petroleum gas.