KAIZEN CPA LIMITED
啓源會計師事務所有限公司
Rooms 2101-05, 21/F., Futura Plaza
111 How Ming Street, Kwun Tong, Hong Kong
香港觀塘巧明街111號富利廣場21樓2101-05室
T: +852 2341 1444
E: info@kaizencpa.com



# Q&A on Malaysian E-Invoice for Pawnbroking Service

The Inland Revenue Board of Malaysia updated its frequently asked questions for specific industry on the implementation of e-Invoice in Malaysia on 26 August 2026. The frequently asked questions now introduced new guidance for the pawnbroking related transactions.

**1. What is the e-Invoice treatment for the granting of a pawn and the subsequent redemption or renewal of a pawn ticket?**

The e-Invoice treatment depends on the specific transaction type:

**Granting of a Pawn Loan**: When a pawn loan is granted to a pawner, pawnbrokers are not required to issue an e-Invoice for the principal amount of the loan.

**Redemption or Renewal of Pawn Ticket:** Pawnbrokers are required to issue e-invoice on the following transactions if the pawners requests for an e-Invoice:

(1) ticket charges imposed by the pawnbroker; and

(2) interest charged upon redemption or renewal of the pawn ticket.

If an e-Invoice is not requested, a standard receipt will be issued, and the pawnbrokers are required to issue a consolidated e-Invoice within seven (7) days from the end of the month.

**2. Is an e-Invoice required to be issued for year-end accrued interest receivables recognised on unredeemed pawn loans?**

An e-Invoice is not required to be issued for year-end accrued interest receivables recognised for accounting or tax purposes.

SHENZHEN 深圳
Rooms 1203-06, 12/F.
Di Wang Commercial Centre
5002 Shennan Road East
Luohu District, Shenzhen, China
中國深圳市羅湖區深南東路5002號
地王商業中心12樓1203-06室
T: +86 755 8268 4480

SHANGHAI 上海
Room 1201, 12/F., Tower A
Guangqi Culture Plaza
2899A Xietu Road, Xuhui District
Shanghai, China
中國上海市徐匯區斜土路2899甲號
光啓文化廣場A座12樓1201室
T: +86 21 6439 4114

BEIJING 北京
Room 303, 3/F.
Interchina Commercial Building
33 Dengshikou Street
Dongcheng District, Beijing, China
中國北京市東城區燈市口大街33號
國中商業大廈3樓303室
T: +86 10 6210 1890

TAIPEI 台北
Rooms 7F-702, 7/F., 188 Section 5
Nanjing East Road
Songshan District, Taipei
Taiwan 105411
台灣台北市松山區南京東路五段
188號7樓7F-702室
郵編: 105411
T: +886 2 2711 1324

TOKYO 東京
Rooms 502-03, 5/F.,
Lions Mansion Matsugaya
1-4-6 Matsugaya, Taito, Tokyo
Japan 111-0036
日本東京都台東區松谷1-4-6
獅子大廈5樓502-03室
郵編: 111-0036
T: +81 3 5776 2637

SINGAPORE 新加坡
138 Cecil Street, #13-02 Cecil Court
Singapore 069538
T: +65 6438 0116

KUALA LUMPUR 吉隆坡
Menara Suezcap, Tower 2
E-13A-3A, No. 2 Jalan Kerinchi
Gerbang Kerinchi Lestari
59200 Kuala Lumpur, Malaysia
T: +60 19 2177 344

NEW YORK 紐約
202 Canal Street, Suite 303, 3/F.
New York, NY 10013, USA
T: +1 646 850 5888

LONDON 倫敦
Room 5, 2/F., 39-41 High Street
New Malden, Surrey
KT3 4BY, UK
T: +44 20 3910 8392

**3. Under the Pawnbrokers Act 1972, what is the e-Invoice treatment where a pledged item securing a loan is not redeemed within the prescribed period?**

When a pledged item securing a loan is not redeemed within the prescribed period, the e-Invoice treatment depends on whether the ownership transfers automatically or through an auction process:

(1) **Loans Not Exceeding RM200**: Where a pledged item securing a loan not exceeding RM200 is not redeemed, ownership of the pledged item is automatically transferred to the pawnbroker without going through an auction process. In this scenario, pawnbrokers are required to issue a self-billed e-Invoice for the acquisition of the pledged item.

(2) **Loans Exceeding RM200**: Where a pledged item securing a loan exceeding RM200 is not redeemed, the pledged item will be sold via an auction. The e-Invoice requirements on who purchases the item:

(a) If the pawnbroker purchases the pledged item from the auction, the pawnbroker is required to issue a self-billed e-Invoice for the purchase of the pledged item and an e-Invoice for the interest and other applicable charges applied.

(b) if a third-party bidder purchases the pledged item from the auction, the third-party bidder is required to issue a self-billed e-Invoice for the purchase of the pledged item. The pawnbroker is required to issue an e-Invoice for the interest and other applicable charges applied.

**4. What is the e-Invoice treatment for surplus monies arising from the auction of pledge items, including unclaimed surplus monies surrendered to the Accountant General's Department (hereinafter referred to as "AGD")?**

Where an auction yields proceeds exceeding the total amount recoverable by the pawnbroker, the e-Invoice treatment for the resulting surplus monies is as follows:

(1) **Surplus Monies Held on Trust or Returned to Pawner**: Where the auction proceeds exceed the amount recoverable by the pawnbroker, and the surplus monies are held on trust for the pawner, no e-Invoice is required to be issued by the pawnbroker. Likewise, where the surplus monies are subsequently returned to the pawner, no e-Invoice is required.

(2) **Unclaimed Surplus Monies Surrendered to the AGD**: Where surplus monies remain unclaimed and are subsequently surrendered by the pawnbroker to the AGD, no e-Invoice or self-billed e-Invoice is required to be issued.

5. **What is the e-Invoice treatment when a pawnbroker sells pledged items that were previously acquired by the pawnbroker?**

   When a pawnbroker sells pledged items that were previously acquired, the pawnbroker is required to issue an e-Invoice if the buyer requests for the e-Invoice.

   If an e-Invoice is not requested, a standard receipt will be issued, and the pawnbrokers are required to issue a consolidated e-Invoice within seven (7) days from the end of the month.

For further information, please visit the official website of the Inland Revenue Board of Malaysia at https://www.hasil.gov.my/en

KAIZEN Group, together with its associate firms in Malaysia, can help the clients to perform these compliances formalities so as to maintain the Malaysia company in good standing. Please call and talk to our professional accountants in Kaizen for further clarification.

*If you wish to obtain more information or assistance, please visit the official website of Kaizen CPA Limited at **www.kaizencpa.com** or contact us through the following and talk to our professionals:*

*Email: info@kaizencpa.com*

*Tel: +852 2341 1444*

*Mobile : +852 5616 4140, +86 152 1943 4614*

*WhatsApp/ Line/ Wechat: +852 5616 4140*
*Skype: kaizencpa*

 