

TECHNICAL

Indirect Taxation

**RMC ISSUED DIRECTOR GENERAL (DG)'S DECISION AMENDMENTS NO.4-2015**

The Royal Malaysian Customs (RMC) has recently uploaded the [DG's Decision Amendments No.4-2015](#). The amendments are in respect of the following:

| Issues   | Amendments  |
|--|---|
| Foreign Exchange   | Item 6 of the DG's Decision 1/2014 (as amended by the DG's Decision Amendment 1/2015) was restated.   |
| Drop shipment  | Item 5(i) and (ii) of the DG's Decision 1/2014 were superseded by items 1 and 2 of the DG's Decision 4/2015.  |
| Types of newspaper qualifies for zero rated  | Item 1, Decision (ii) of the DG's Decision 3/2014 was amended as follows:<br><p>"The zero rating <b>does not</b> include journals and other periodicals, <del>issued weekly, fortnightly, monthly, quarterly or half-yearly</del>, either in the form of newspapers or as paperbound publications. ...."</p> <p>Similarly, Item 1, Decision (iii) of the DG's Decision 3/2014 was amended to extend the exclusion of zero rating to Journal / periodicals of "<b>any frequency</b>" of publication.</p> |
| Small Office Home Office (SOHO)  | Item 1, Decisions (ii)(c) and (d) of the DG's Decision 2-2015 were amended to include the Housing and Development (Control and Licensing) Ordinance 2013 and the Housing and Development (Control and Licensing) Enactment 1978.  |
| Claiming special refund of sales tax goods held on hand on 1 April 2015                          | Item 4, Decision (i) of the DG's Decision 2-2015 was amended by extending the condition on payment of sales tax or value of invoice made before 30 June 2015.   |
| Period to issue tax invoice  | Item 3, Decision (2) of the DG's Decision 3-2015 was amended as follows:<br><p>"(2) Every registered person who makes any taxable supply of goods or services in the course or furtherance of any business in Malaysia shall issue a tax invoice to his buyer within 30 days from <del>the date of supply or</del> the date of payment made <b>by the buyer</b> on such supply (in full or in part)."</p>   |
| Local Company (LC) purchased goods from overseas supplier (OS) and later sold the goods to local | Item 1, Decision (c)(iii) of the DG's Decision 4-2015 is amended as follows:<br><p>"<del>Tax</del> Invoice issued by LC to LB stated that the goods are originated</p>  |

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| buyer (LB) and issue an invoice (local invoice). The LC requests the overseas supplier to deliver the goods direct to his local buyer | from OS;"   |
| Local Company (LC) purchased goods from a local manufacturer (LM) and request LM to export the goods to his overseas buyer (OB).      | <p>Item 2, Decision (1) of the DG's Decision 4-2015 is amended as follows:</p> <p>“(1) The supply of goods made by LM to LC is a standard rated supply, because the transfer of ownership of the goods took place in Malaysia. However <del>such supply</del> <i>the supply by LM to LC and LC to OB</i> will qualify for zero rate subject to compliance with the following conditions.”</p> |

Members may forward to the Institute any comments or concerns relating to the above in the template provided [\[DG's Decision Amendments No.4-2015\]](#) via email ([technical@ctim.org.my](mailto:technical@ctim.org.my)).

Members may view the DG's Decision Amendments on the [Institute website](#) or the official website of [Malaysia Goods and Services Tax \(GST\) Portal](#).

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