

# e-CIRCULAR TO MEMBERS

# CHARTERED TAX INSTITUTE OF MALAYSIA (225750-T)

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TO ALL MEMBERS

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### **Indirect Taxation**

# Customs-Private Sector Consultative Panel (CPSCP) Meeting No.2/2016

The Royal Malaysian Customs Department (RMCD) has recently released the <u>minutes of the Customs-Private Sector Consultative Panel (CPSCP) Meeting No. 2-2016</u> held on 8 November 2016.

The RMCD expressed its appreciation on the commitment shown by the private sector in facilitating the successful implementation of GST. The private sector urged the RMCD to consider incorporating voluntary disclosure provisions into the Goods and Services Tax Act 2014 to facilitate compliance. The following matters were also discussed at the meeting:

- Engagement with stakeholders on the implementation of the **Customs Agent Demerit System**.
- Submission of the consolidated Customs Form K9 is not accepted by the RMCD.
  Separate submission of the Customs Form K9 has to be submitted for each movement of goods to/from the Principal Customs Area.
- Developments in the Single Agent Code.
- The RMCD informed that **no GST relief** will be granted **for re-importation** of locally manufactured goods that are not exported on temporary basis.
- Although the use of the Form ZB1 ZB6 have been stipulated in the Free Zone Regulations 1991, different customs procedures were adopted by free zones authorities in different states. The RMCD explained that the use of the Customs Forms come under the power of the Free Zone Authorities which are appointed by the Ministry of Finance (MOF). MOF is requested to look into the issue.
- Appeal to the MOF on customs issues is a long process involving the RMCD.
- Long detention period of containers by the RMCD.
- Issues relating to the proposed uCustoms System.
- Customs inspection related services by third party service providers in Pasir Gudang and Port Klang.

Members may view the CPSCP Minutes on the <u>Institute's website</u>.

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