

TECHNICAL

Indirect Taxation

[Updates on Goods and Services Tax \(GST\) Guide on Employee Benefits](#)

Further to our [e-CTIM TECH-IT 26/2016](#) dated 21 October 2016, the Royal Malaysian Customs Department (RMCD) has updated the [GST Guide on Employee Benefits – revised as at 23 January 2017](#). The following are the changes:

No.	Heading	Amendment
1.	<b>Frequently Asked Questions – Value of Supply on Employee Benefits</b>	<p>A new <b>FAQ No.28</b> as follows:</p> <p><b>“Q28. I am registered for GST and account for tax on a monthly basis. For the current taxable period, my only exempt supplies are provision of transportation and accommodation to my staff and the total charge for both services is RM4500. Am I able to claim the input tax I incur in providing those services?”</b></p> <p><b>A28. The provision of transportation and accommodation is an exempt supply and you are not entitled to input tax credit. However, if the value of the exempt supply (RM4500) is less than 5% of total supplies made for the month, you are eligible to claim the input tax incurred attributable to those exempt supplies under the De Minimis Rule as per Regulation 37 GSTR 2014. For further details, please refer to GST guide on Input Tax.”</b></p>
2.	<b>Appendix 1: Input Tax Credit</b>	Legislation reference (Reg. 40 of GST Regulations 2014) was inserted under incidental exempt supply.

Members may view the updated GST Guide on Employee Benefits on the [Institute's website](#) or on the [official website of the Malaysia Goods and Services Tax \(GST\)](#).

You may write to the Institute at [technical@ctim.org.my](mailto:technical@ctim.org.my) or [secretariat@ctim.org.my](mailto:secretariat@ctim.org.my) in respect of any suggestions, concern or comments you may have on the updated [GST Guide on Employee Benefits](#) so that we may raise them to the RMCD.

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