

TECHNICAL

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Indirect Taxation

**RMCD MEDIA RELEASE – GST AT ZERO PER CENT EFFECTIVE FROM 1 JUNE 2018**

The Royal Malaysian Customs Department (RMCD) has recently issued a [Media Release](#) on the Government's announcement that the supply of goods and services in Malaysia and imported goods and services which are subject to the Goods and Services Tax (GST) at the standard rate of 6% will be subject to GST at 0% effective from 1 June 2018, which is applicable nationwide until a further announcement is made.

According to the [Media Release](#), all GST registered businesses are required to comply with the announcement and channel savings from the change in the GST rate from 6% to 0% to consumers in the form of lower prices. Businesses are urged not to exploit the Government's intention of reducing prices for the benefit of consumers.

The [Media Release](#) also indicated that the Sales and Services Tax (SST) will not be implemented on 1 June 2018. The actual date of the SST implementation will be announced later. As such, all businesses are required to implement the price reduction of goods and services as a result of the change in the GST rate from 6% to 0% effective from 1 June 2018. The Government will also take firm action to ensure that the prices of goods and services comply with the Price Control and Anti-Profiteering Act 2011.

For more information, members can refer to the [frequently asked questions \(FAQ\) dated 25 May 2018](#) which have been prepared by the RMCD on transitional matters in relation to the change in the GST rate from 6% to 0%. It replaces the [FAQ dated 24 May 2018](#), [FAQ dated 22 May 2018](#) and [FAQ dated 17 May 2018](#)\*. (\*reported in our [e-CTIM TECH-IT 14/2018 dated 22 May 2018](#)). Members may also refer to the [FAQ dated 25 May 2018 \(in Bahasa Malaysia\)](#).

Members may read the Media Release in full at the websites of the [Institute](#) and the [RMCD](#).

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 above-mentioned matters so that we may raise them to the RMCD.

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