
TECHNICAL

Indirect Taxation

RMCD – SST Specific Guide – Sales Tax Deduction Facility

The Royal Malaysian Customs Department (RMCD) has uploaded the following in the [MySST website](#): -

SST Specific Guide

No	List of Specific Guide	Date of Publication
1.	Sales Tax Deduction Facility	<u>30/10/2019</u> <i>Note: The earlier Guide dated <u>9/8/2019</u> which was reported in our <u>e-CTIM TECH IT 36/2019</u> dated 11 September 2019 has been withdrawn.</i>

Note: A summary of document changes is set-out below page 16 of the Guide (insertion of FAQ 13 on page 15).

The Specific Guide on the Sales Tax Deduction Facility is to assist the registered manufacturer in understanding the implementation of the sales tax deduction (formerly known as the Credit System during the SST 1.0 era) which is effective on 1 January 2019.

This facility is provided to reduce the burden of a registered manufacturer who purchases manufacturing inputs from a supplier and not from a registered manufacturer. This facility will avoid double taxation and lower the business cost of a registered manufacturer.

The relevant legislations on the implementation of the sales tax deduction facility are as follows: -

- [Sales Tax Act 2018 \(Act 806\)](#);
- [Sales Tax \(Amendment\) Regulations 2018 \[P.U.\(A\) 399/2018\]](#); and
- [Sales Tax \(Determination Of Sale Value Of Taxable Goods\) Regulations 2018 \[P.U.\(A\) 205/2018\]](#).

Members may view the above Specific Guide on the websites of the [Institute](#) and the [RMCD](#). Members are also encouraged to visit the MySST website for further updates by the RMCD on the above matters.

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

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