
TECHNICAL

Indirect Taxation

Price Control & Anti-Profiteering (Mechanism to Determine Unreasonably High Profit) (Net Profit Margin) Regulations 2014 [P.U. (A) 347/2014]

The Regulations were gazetted on 26 December 2014 and provide the mechanism to determine unreasonably high profit in respect of any goods or services for the period from **2 January 2015 to 31 March 2015** and for the period from **1 April 2015 to 30 June 2016**.

According to Regulation 2(1), there shall be **no increment in the net profit margin** of any goods or services during the above-mentioned periods. The formulas to determine that there is no increment in the net profit margin are listed in the Schedule of the P.U. (A) 347/2014. The contents of the Schedule are summarised below.

Schedule of P.U. (A) 347/2014	Summary of Contents
Part I (Para 1)	Interpretation of terms for the purposes of the Schedule such as “introductory charge”, “promotional charge”, “input tax”, “output tax”, “cheap sale price”, “cost price”, “introductory price”, “taxable person” and expressions indicating that goods are priced at cheap sale price or services are charged at promotional charge.
Part II (Para 2)	The formula to determine that there is no increment in the net profit margin of any particular goods sold or offered for sale, or services supplied or offered for supply, by any person within the period 2 January 2015 to 31 March 2015 .
Part III (Para 3)	The formula to determine that there is no increment in the net profit margin of any particular goods sold or offered for sale, or services supplied or offered for supply, by any taxable person within the period 1 April 2015 to 30 June 2016 .
Part III (Para 4)	The formula to determine that there is no increment in the net profit margin of any particular goods sold or offered for sale, or services supplied or offered for supply, by any person other than taxable person within the period 1 April 2015 to 30 June 2016 .

Members may read the Regulations in full at the official website of the [Attorney-General's Chambers](#).

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