



ROYAL MALAYSIAN CUSTOMS

GOODS AND SERVICES TAX

GUIDE ON TOURIST REFUND SCHEME

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INTRODUCTION

1. This industry guide is prepared to assist businesses in understanding matters with regards to GST treatment on Tourist Refund Scheme (TRS).

Overview of Goods and Services Tax (GST)

2. Goods and Services Tax (GST) is a multi-stage tax on domestic consumption. GST is charged on all taxable supplies of goods and services in Malaysia except those specifically exempted. GST is also charged on importation of goods and services into Malaysia.

3. Payment of tax is made in stages by the intermediaries in the production and distribution process. Although the tax would be paid throughout the production and distribution chain, only the value added at each stage is taxed thus avoiding double taxation.

4. In Malaysia, a person who is registered under the Goods and Services Tax Act 2014 is known as a “registered person”. A registered person is required to charge GST (output tax) on his taxable supply of goods and services made to his customers. He is allowed to claim back any GST incurred on his purchases (input tax) which are inputs to his business. Therefore, the tax itself is not a cost to the intermediaries and does not appear as an expense item in their financial statements.

GENERAL OPERATION OF THE INDUSTRY

What Is A TRS

5. A TRS (TRS) is a scheme that allows any tourist who qualifies to claim a refund of GST paid on certain goods purchased in Malaysia from approved outlets.

Key Players Under TRS

6. The key players are:

- (a) Foreign tourists;



- (b) Foreign diplomats after completion of duty in Malaysia;
- (c) Approved Refund Agent (ARA) appointed by the Minister to process the GST refund claim;
- (d) Approved Outlet which is a business establishment operated by a registered person under GST and appointed by the ARA (Iris Global Blue) for the purpose of TRS. The approved outlets will have to display visibly the Tax Refund Logo at their premise.

CONDITIONS FOR GST REFUND UNDER TRS

7. A tourist shall be entitled to the refund of GST under TRS if he satisfies the following conditions:

- (a) he is neither a citizen nor a permanent resident of Malaysia and holding a valid international passport;
- (b) he is a foreign diplomat leaving the country after completion of service in Malaysia and is in possession of a document from the relevant diplomatic or consular mission stating that he is departing from Malaysia;
- (c) he is not, in the 3 months preceding the date of purchase of the goods, been at any time employed in Malaysia;
- (d) he departs Malaysia by air mode;
- (e) he is not a cabin or flight crew of the aircraft on which is departing out of Malaysia;
- (f) he must purchase the goods within 3 months before the date of departure;

Example 1

Mr. Adrian is a tourist from UK who came to Malaysia to stay for 4 months. He arrived in Malaysia on 1.6.2015 and on the same day he bought a bottle of perfume from an Approved Outlet that cost RM300 (GST inclusive). If Mr. Adrian were to leave Malaysia on 30.9.2015 he is eligible for a refund of GST under TRS. If he departs Malaysia on

1.10.2015 he is not eligible to claim refund of GST under TRS because he did not purchase the goods within 3 months but more than 3 months from the date of his departure.

- (g) he has spent at least three hundred Ringgit Malaysia (GST inclusive) or more at the same Approved Outlet. Accumulation of purchases are allowed if purchases are made from the same store on different days; and

Example 2

Mr. Adrian bought a bottle of perfume from the same Approved Outlet on the same day in a single receipt worth more than RM300, he is eligible to claim refund of GST.

Example 3

Mr. Adrian bought three bottles of perfume worth RM100 each from the same Approved Outlet (under Pavillion), on the same day. Same Approved Outlet here means it can be different Approved Outlets in Pavillion, Kuala Lumpur. Mr Adrian can accumulate the three receipt and be eligible for the minimum threshold of RM300 (GST inclusive) to claim refund of GST under TRS.

Example 4

Mr. Adrian bought three bottles of perfume from Carrefour in Puchong, and Melaka on different days. Mr. Adrian will not qualify for refund of GST under TRS even though he met the minimum threshold of RM300 (GST inclusive) because he bought the perfume from Approved Outlet (Carrefour), at different location. Accumulation of receipt is allowed for purchases made from same Approved Outlet (e.g. under Carrefour, Puchong) at the same location on different days.

Example 5

Mr. Adrian bought three bottles of perfume (receipt accumulated) from different Approved Outlets and paid GST on this goods at a standard rate. He bought one perfume costing RM250.00 (GST inclusive) from Parkson, one perfume costing RM290.00 (GST inclusive) from Pavillion

and one perfume costing RM210.00 (GST inclusive) from Carrefour. Mr. Adrian will not be eligible to claim refund of GST even though he has met the minimum threshold of RM300 (GST inclusive) because he bought the perfume from different store. He would qualify for the claim if in one of the store his purchases has reached the minimum threshold of RM300 (GST inclusive).

- (h) he must bring the goods out of Malaysia to another country as accompanied (hand carried) or unaccompanied (check in) luggage.

GOODS NOT ELIGIBLE FOR GST REFUND UNDER TRS

- 8. The following goods are not eligible for refund under TRS:
 - (a) tobacco and tobacco products;
 - (b) precious metal and gems stone;
 - (c) wine, spirit, beer and malt liquor;
 - (d) goods which are wholly or partially consumed in Malaysia;
 - (e) goods which are absolutely prohibited from export under any written law; and
 - (f) goods which are not taken out as an accompanied (hand carried) or unaccompanied (check in) luggage.

APPROVED MALAYSIAN AIRPORTS FOR THE PURPOSE OF TOURIST REFUND SCHEME

- 9. Claim of refund under TRS can be made at the following airports:
 - (a) Kuala Lumpur International Airport, Sepang (KLIA);
 - (b) Kuala Lumpur International Airport 2, Sepang (KLIA 2);
 - (c) Senai International Airport, Johor
 - (d) Kota Kinabalu International Airport, Sabah;
 - (e) Kuching International Airport, Sarawak;



- (f) Penang International Airport, Bayan Lepas;
- (g) Sultan Haji Ahmad Shah Airport, Pahang; and
- (h) Sultan Abdul Aziz Shah Airport, Subang, Selangor.

MANNER/PROCEDURE AT APPROVED OUTLETS

Conditions and Eligibility of Approved Outlets under TRS

10. Retail outlets can apply to be an Approved Outlets under the TRS. Approved Outlets are to be appointed by the ARA and must fulfilled the following conditions:

- (a) he shall be a GST registered person under section 20 of the GST Act;
- (b) he is a registered user of electronic service under regulation 106 of the GST Regulations 2014;
- (c) he must account for tax on a monthly taxable period; and
- (d) he does not wholly sell liquor, tobacco, tobacco products, gems stones or precious metal.

11. Iris Global Blue (IGB), is the Approved Refund Agent appointed in Malaysia to refund GST to tourist under Tourist Refund Scheme. Retail Outlets who qualifies the conditions as stipulated above are eligible to register and be approved as an Approved Outlets. Registration of Approved Outlet by IGB will be done in the following manner:

- (a) IGB has announce in the GST portal/RMCD website on when/how to register as Approved Outlets (refer to http://business.globalblue.com/my_en/);
- (b) IGB has provided a merchant facing outlet registration portal (<https://iris-globalblue.com/register-trs-outlet/>) to register outlets;
- (c) IGB provides the registration information to RMCD via GST portal for final approval;
- (d) GST Portal provided by RMCD will have the following features:



- (i) In addition to manual ad-hoc entry of outlet, will have upload function for bulk registration;
- (ii) RMCD officers approved the retail outlets within the GST portal (in gentax); and
- (iii) RMCD to update IGB on retail outlets approved via email.

12. Approved Outlets must charge GST at a standard rate on eligible taxable goods sold to foreign tourists. Approved Outlets operators must issue a tax invoice which indicates the price of the goods as well as the amount of GST charged.

13. The Approved Outlet will issue the machine/computer printed refund form (A4 refund form/transaction slip) to the tourists who wish to make a claim for the refund of GST paid. In instances (during contingency period) it is necessary to issue a manual refund form. The following refund form procedures will be applicable-

- (a) There are three types of TRS refund form that shall be issued by Approved Outlet operators:
 - (i) A4 Refund form that has a barcode (Please refer to Appendix 1);
 - (ii) Transaction slip which is machine generated and has a barcode (Please refer to Appendix 2);
 - (iii) Manual refund form to be used manually during contingency period, to be manually verified and stamped. (Please refer to Appendix 3). Contingency refund form are to be used in cases where:
 - Customs Approval System (CAS) is not accessible, all GST Refund Forms have to be manually verified and stamped.
 - It is important to confirm that CAS is really not working before RMCD officers follow this procedure.
 - A definition CAS is not accessible is that RMCD officer attempts to log in but CAS would not open or CAS is apparently running and accessible but is not reacting.

- (b) The A4 refund form, transaction slip or manual contingency refund form will be used by tourist to claim GST refund from Approved Refund Agent.

14. The refund form/transaction slip shall contain the following particulars-

- (a) the tourist name;
- (b) tourist international passport number;
- (c) the tourist's country of residence;
- (d) date of arrival in Malaysia;
- (e) Intended date of departure from Malaysia;
- (f) date of purchase of the eligible goods;
- (g) tax invoice or receipt number for the eligible goods;
- (h) description and quantity of the eligible goods purchased; and
- (i) the total amount payable, inclusive of GST;
- (j) the total amount of GST refundable;
- (k) the amount of administrative fee charged by the ARA; and
- (l) the net amount of GST refundable.

15. Where tourists have the intention of making the refund claim, the following has to be complied with-

- (a) The tourist will have to show his international passport to the Approved Outlet operator to prove himself as eligible for the of GST refund under the scheme. In cases where the tourist cannot produce the international passport due to some valid and acceptable reason, some other legal and appropriate document such as photo ID will be allowed.
- (b) The tourist has to ensure that the Approved Outlet issues an original tax invoice/receipt for the eligible goods purchased;

- (c) Get an original refund form (A4 refund form/transaction slip/contingency refund form) from the sales assistant/cashier at the Approved Outlet and ensure that the refund form is completed correctly.
- (d) The tourist must indicate in the appropriate column on the original refund form on how the refund is to be made;
- (e) The tourist must keep original copy of the tax invoice or receipt and the completed original refund form, international passport and produce these documents together with the purchased goods to an RMCD Customs Officer (GST Refund Verification Counter/Airside) at the airport prior to departure;
- (f) The tourist can only receive a refund form from the Approved Outlet where eligible goods have been bought. A refund form cannot be issued by RMCD at the airport.

MANNER/PROCEDURE AT APPROVED MALAYSIAN AIRPORTS

Verification and Endorsement by Customs

16. For all the Approved Malaysian Airports, the GST Refund Verification Counters will be located before check in into the airport for unaccompanied (check in) luggage and at the Departure Hall for accompanied (hand carried) luggage.

17. Tourists leaving the country are required to present the following goods and documents to the officer of customs for verification and endorsement at the GST Refund Verification Counter as mentioned in paragraphs 16 above together with-

- (a) goods purchased at the Approved Outlets (if jewellery in sealed bag);
- (b) original tax invoice issued by an Approved Outlets;
- (c) completed A4 refund form or transaction slip or contingency form (during contingency period only);
- (d) tourist's international passport; and
- (e) boarding pass or confirmed air ticket (as proof of departure).



18. The Approved Refund Agent's counters will be located either landside or airside, or both, at each airport. Where there is no Approved Refund Agent's counter airside, a mailbox will be provided to allow the tourist to post their GST Refund Forms for processing by the Approved Refund Agent using stamped addressed envelopes provided by the Approved Outlet. These refund forms has to be verified/endorsed first by RMCD officer.

19. After the original refund claim form has been verified and endorsed (digitally/manually stamped) by the officer of customs, the tourist shall not part with the possession of the goods or give it to another person, except to the counter staff for checking in. The goods shall not be brought out of the premises of the Departure Hall of the Approved Airports after the refund application form has been endorsed by the officer of Customs unless otherwise approved by the senior officer of customs due to some unavoidable circumstances.

CLAIMING GST REFUND FROM APPROVED REFUND AGENT

20. Tourists are to claim GST refund from Approved Refund Agent and must follow the following procedures:

- (a) The application form/transaction slip that has been endorsed by the officer of customs shall be submitted to the **Approved Refund Agent** either-
 - (i) personally at the Approved Malaysian Airport;
 - (ii) by post within two months from the date of RMCD's endorsement; or
 - (iii) by dropping the endorsed refund form into the ARA's mail box, located near the **Approved Refund Agent's/ GST Refund Verification Counter**, before departing (airside).

21. The refund is to be made by any of the following mode of payment-

- (a) by cash for amount not exceeding RM 300 per person; or
- (b) credit card account; or



- (c) bank cheque.

FOREIGN TOURISTS ON TRANSIT

22. Foreign tourists leaving KLIA/KLIA2 as their final airport of departure may be on transit from the other Approved Malaysian Airports. Such tourists can choose any of the following options in making their verification/ claim for the refund of GST -

(a) **Option 1 (Direct Flight)**

Verification and endorsement of refund form, and claiming of GST refund to be done at any of the following airports-

- (i) Senai International Airport, Johor
- (ii) Kota Kinabalu International Airport, Sabah;
- (iii) Kuching International Airport, Sarawak
- (iv) Bayan Lepas International Airport, Penang;
- (v) Sultan Haji Ahmad Shah Airport, Kuantan, Pahang;
- (vi) Sultan Abdul Aziz Shah Airport, Subang, Selangor
- (vii) Kuala Lumpur International Airport (KLIA), Sepang; or
- (viii) Kuala Lumpur International Airport (KLIA2), Sepang.

(b) **Option 2 (Indirect Flight)**

Verification and endorsement of refund form done at any of the eight airports as listed in paragraph 22(a) above while the claiming of GST refund is to be done at the final airport of departure (KLIA or KLIA2) to international destinations.

(c) **Option 3 (Indirect Flight)**

Verification and endorsement of refund form for hand carried luggage (accompanied luggage) to be done in the final airport of departure (KLIA or KLIA 2) and claiming of GST refund under TRS is also to be done at the final airport of departure (KLIA or KLIA2) to international destinations.

If Approved Refund Agent does not exist at airside (Departure Hall) at the particular airports, except for KLIA and KLIA2, tourists who have had their goods verified and validated airside shall drop their validated GST Refund Forms into the provided mailboxes located near the GST Refund Verification Counter in the airside.

SPECIAL PROCEDURE FOR HANDLING JEWELLERY FOR GST REFUND CLAIM (GOLD/SILVER/ PLATINUM)

23. For GST claims on jewellery, special procedures must be followed by the Approved Outlet, Tourist and RMCD officers under the Tourist Refund Scheme as follows:

- (a) The tourists need to show their international passport to the Approved Outlets to prove eligibility under TRS;
- (b) Approved Outlet operator shall sell the jewellery to tourists and the tourists shall pay GST for the purchase as for any other goods;
- (c) Approved Outlets operator shall produce two copies of tax invoice/receipt (one original and one duplicate copy) for each item of jewellery sold;
- (d) Approved Outlet operator shall put the sold jewellery in a transparent plastic container which is then inserted into a security bag with a serial number, together with the original copy of the tax invoice/receipt and refund form;
- (e) The second copy of the tax invoice to be given and to be kept by the tourists;
- (f) Tourist shall carry the jewellery in the sealed bag together with the GST refund form (inserted in the sealed bag), confirmed flight ticket or boarding pass and the tax invoice/receipt (duplicate copy) to the RMCD Officer at the GST Refund Verification Counter in the airside of the Approved Malaysian Airports.

- (g) RMCD Officer shall open the security bag and weigh/analyse the density of the jewellery using the Jewellery Testing Machine. If the weight/density of gold/silver/platinum is the same as indicated in the tax invoice/receipt and GST refund form, RMCD officer shall seal the jewellery bag;
- (h) RMCD officer shall validate the GST refund claims using the Customs Approval System (CAS) and approve or reject each transaction digitally, or with a manual stamp in case of contingency;
- (i) RMCD shall not approve a GST refund form if the weight/density of the jewellery is not the same as the particulars stated in the original tax invoice/receipt;
- (j) For approved GST Refund Form relating to jewellery, tourists shall be able to make GST refund claim from the Approved Refund Agent in the same manner as for other purchases.

24. Federation of Jewellers Association of Malaysia (FGJAM) will assist RMCD to provide details training to all the participating Approved Outlets selling jewellery under TRS.

FREQUENTLY ASKED QUESTIONS

General on TRS

Q1. As a foreign tourist in Malaysia, which method/mode can I use to claim my refund under TRS?

A1. You can claim your refund by:-

- (a) Payment through a credit card;
- (b) Payment in cash (for amount not exceeding RM300.00)
- (c) Payment through a bank cheque as a contingency approach if neither of the above refund options is feasible.



Q2. As a foreign tourist in Malaysia, can I get a refund on services such as accommodation, car hire and entertainment consumed in Malaysia?

A2. TRS only applies to goods that are taken out with you when you leave Malaysia. The TRS does not apply to services (car hire, accommodation, tours etc.) or goods consumed or partly consumed in Malaysia such as drinks, chocolates or perfume.

Q3. Why does the Sales Tax and Service Tax (SST) need to be replaced with GST?

A3. GST is more comprehensive, effective, transparent, and business friendly tax system. GST can overcome the various weaknesses inherent in the present consumption tax system. The inherent weaknesses under the present tax system are cascading tax, double tax and pyramiding tax, tax erosion and leakages through transfer pricing and other means. Besides that GST is expected to increase tax compliance and is easier to administer in view of its self-policing method. In addition, business are required only to submit simplified tax returns based on prescribed formats. All records and documents relating to the relevant transaction are required to be kept in the business premises for audit by the GST auditor.

Q4. What is a tax invoice that is issued under the Tourist Refund Scheme?

A4. A tax invoice contains information such as invoice number, the amount of GST paid and provides all the evidence needed by Royal Malaysia Customs Department (RMCD) to verify the sale, identify the goods and support the payment of GST refund. Merchants who have been designated by RMCD as an Approved Outlet will provide normal tax receipts as their tax invoices. Tourist must ask the Approved Outlet operator for a tax invoice when making a purchase. A tax invoice must contain the following information:

- (a) the invoice number;
- (b) the GST inclusive price of the eligible goods;
- (c) the word tax invoice stated prominently;
- (d) the date of issue of the tax invoice;
- (e) the name of the Approved Outlet operator;



- (f) description of each and every eligible goods purchased; and
- (g) a statement similar to the total price, inclusive of GST.

Q5. Is there a maximum amount of GST that tourists can claim under TRS?

A5. No. You can claim any amount of GST refund under TRS.

Q6. What will I need to present at the GST Refund Verification Counter?

A6. At the GST Refund Verification Counter, you will need to present the following documents:-

- (a) the original tax invoice or **receipt (GST inclusive)** from the Approved Outlet;
- (b) the original refund form issued by Approved Outlet;
- (c) your original valid international passport;
- (d) your international boarding pass, confirmed air ticket or other proof of travel; and
- (e) the eligible goods, if requested by RMCD (to prove you are taking them out of Malaysia and to confirm those are the goods described in the original tax invoice or receipt).

Q7. Is there a time limit on purchases under the Tourist Refund Scheme (TRS)?

A7. In order to claim a refund of GST, the eligible goods must be exported as accompanied baggage (carry-on) or unaccompanied luggage (checked-in) not later than 3 months from the date of purchase.

Q8. Can I use or consumed the goods before leaving Malaysia?

A8. Non consumable goods such as clothing, cameras and watches can be used before leaving Malaysia. Consumable goods such as drinks, perfume and chocolates are not eligible for GST refund if already partly/wholly used or consumed in Malaysia.

Q9. Can I claim GST refund to the account of the credit card I used to make my purchases?



A9. Regardless of how you made your purchase, you may choose to have the refund paid by cash (not exceeding RM300), paid to your credit card account or paid by bank cheque (if cash or credit card is not feasible).

Q10. Can I make a claim after departing from Malaysia?

A10. Yes you may, provided you make your claim within 2 months from date of endorsement of your export by the Royal Malaysian Customs Department.

Q11. What is the difference between a Duty Free Shops and an Approved Outlet?

A11. The difference between a Duty Free Shops and an Approved Outlets are:-

- (a) Duty Free purchases can only be made from a selected number of Duty Free Shops at International Airports, Port and border Duty Free Shops and the range of goods supplied is limited.
- (b) Under the TRS, a much larger range of goods (e.g. clothing, electronics) purchased from an Approved Outlets are eligible for a GST refund.

TRS Refund Eligibility

Q12. Can I claim a GST refund on a warranty under the Tourist Refund Scheme?

A12. A warranty is a type of service and not goods that can be exported from Malaysia. A purchased warranty is therefore not eligible for GST refund under TRS.

Q13. Is a student pass holder eligible to claim a GST refund under TRS?

A13. Student pass holders are treated as normal foreign tourists and therefore are eligible to claim a GST refund under the TRS if they have fulfilled all conditions of the TRS.

Q14. Can I claim a GST refund under the Tourist Refund Scheme (TRS) if I am leaving Malaysia as a crew member of the aircraft?



A14. No. If you are leaving Malaysia in the course of your employment as a crew member of an aircraft, you are not eligible to claim a GST refund under the Tourist Refund Scheme. However, if you are traveling as a passenger, you are eligible to claim a GST refund provided that you meet all of the other requirements under the TRS.

Q15. What type of goods are eligible for a GST refund under the Tourist Refund Scheme (TRS)?

A15. All standard rated goods are eligible for a refund under TRS with the exception of the following:-

- (a) Wine, spirits, beer and malt liquor;
- (b) Tobacco and tobacco products;
- (c) Precious metal and gems stone (jewellery made thereof is allowed refund under TRS);
- (d) Goods wholly or partially consumed in Malaysia (except for clothing/tax invoices to be maintained);
- (e) Goods which are prohibited from export under the written law; and
- (f) Goods which are not taken out as an accompanied or unaccompanied luggage.

If you have combination of zero rated goods and standard rated goods bought from the same Approved Outlet, tourist are only allowed a GST refund under TRS for standard rated goods only.

Q16. As an operator of an Approved Outlet, I would like to know what are the conditions for a GST refund under the Tourist Refund Scheme?

A16. The conditions for a GST refund under TRS are:-

- (a) The customer (who is an eligible foreign tourist holding a valid international passport or visa) must take the eligible goods out of Malaysia via the Approved Malaysian Airports within 3 months of purchase. The tourist must take these goods out with them either in hand carried luggage (accompanied luggage) or checked-in luggage (unaccompanied luggage) through air mode.



- (b) To qualify for a refund, the tourist must spend at least three hundred Malaysian Ringgit (RM300.00) threshold (inclusive of GST) for purchases made on different days from the same Approved Outlet.
- (c) The tourist must be eligible to claim GST refund.

Q17. What do you do with blank refund forms?

A17. As an Approved Outlet operator, you must keep your stocks of blank forms under lock and key, and have a proper control over blank or partially completed forms. This will ensure that no illegitimate claims are to be made under TRS. Allow only authorized staff to access the computer terminal used for printing refund forms.

Selling Under TRS

Q18. What must an Approved Outlet operator do at the time of sale?

A18. When a foreign tourist purchase eligible goods from an Approved Outlet, the Approved Outlet shall issue a tax invoice or receipt with GST at the prevailing tax rate along with a GST refund form. The sales assistant/cashier at the Approved Outlet also needs to:-

- (a) Request the tourist's own original valid international passport to verify their eligibility for a GST refund under the TRS;
- (b) Remind the tourist to take the goods out of Malaysia via air mode within 3 months from date of purchase and confirm that it is their intention to do so;
- (c) Issue a GST refund form to the tourist using the online issuing solutions provided for this purpose and ensure that the fields that are mandatory at the point of sale are completed;
- (d) Ensure that the tourist understand that s/he must complete all remaining fields including any required personal details prior to presenting the GST refund form for validation by an RMCD officer and that s/he fully understands the conditions of the TRS before leaving the Approved Outlet. **(Note: It is prohibited for a tourist to present**

another person's passport to an Approved Outlet or to claim a GST refund on behalf of another person).

- (e) Provide the tourist with a prepaid envelope and instructions on how to claim the GST refund. This envelope is addressed to the Approved Refund Agent and can be used by the tourist to claim their refund if they do not claim it directly from one of the refund points of the Approved Refund Agent, which are located at all airports where RMCD will perform export validations under the TRS;
- (f) Advise the tourist on how the refund is to be paid. Refund can be made either by cash (amount not exceeding three hundred Malaysian Ringgit (RM300)), through credit card or via bank cheque (if cash or credit card is not feasible).
- (g) Inform the tourist about the administrative/ processing fee payable under the TRS;
- (h) Indicate on the tax invoice or receipt either by stamping or otherwise that a GST Refund Form has been issued, e.g., "TRS Refund Form Issued";
- (i) Indicate on the tax invoice or receipt either by stamping or otherwise that a refund form has been issued, for e.g. "TRS Refund Form Issued";
- (j) Inform the tourist that they must be ready to produce the purchased goods together with the tax invoice or receipt and completed GST Refund Form to RMCD at the Malaysian Approved Airports for verification and endorsement of the transaction;
- (k) Advise the tourists to carry small, high valued items as hand carried luggage (accompanied);
- (l) Inform the tourist to return the endorsed GST Refund Form to the Approved Refund Agent in person or by post within 2 months from the date of endorsement by RMCD;
- (m) In contingency situations, where online issuing of the transaction is not possible, a pre-printed contingency GST Refund Form must be completed manually (by hand) by the sales assistant/cashier at the

Approved Outlet. The contingency GST Refund Form come in triplicate. The first copy (customer's copy) and second copy (Approved Refund Agent's copy), together with tax invoice or receipt for the purchase is to be given to the tourist for endorsement by RMCD. The third copy of the refund form is to be kept by the Approved Outlet operator as record and for auditing purposes. Blank pre-printed contingency GST Refund Form are provided to Approved Outlet operators exclusively for use in contingency circumstances. As an Approved Outlet operator, you must keep the stock of blank pre-printed contingency GST Refund Forms under lock and key, and have a proper control over blank or partially completed forms. This will ensure that no illegitimate claims are made under the TRS.

Refunding To Foreign Tourists Under TRS

Q19. What is a GT refund form?

A19. A GST refund form is a form which enables a tourist to claim a GST refund which they have paid on their purchases at an Approved Outlet. This form is issued by the sales assistant/cashier at the Approved Outlet and must be verified and endorsed by RMCD as a proof that the goods have been taken out of Malaysia. Normally, the validation of GST refund transaction is performed using a digital system operated by the RMCD officers at the GST Refund Verification Counters at the 8 Malaysian Approved Airports in Malaysia where the TRS is supported. The digitally validated transaction becomes the basis for any subsequent audit. However, in contingency circumstances, the GST form itself will be manually validated by RMCD Officer and provides the basis for audit.

Q20. What information is required on a GST refund form?

A20. The following information is required in a refund form:

- (a) Fields to be completed by the Approved Outlet operator with an online issuing solution or by hand for manually-issued forms.



- **Approved Outlet Details (GST registration number, Approved Outlet name and Approved Outlet address)**

Purchase details (shop receipt number, receipt date, goods category/ description of goods, line gross amount, issue date of transaction, total gross amount, total GST amount, administrative charge/fee, refund amount, serial number of the transaction). All amounts are to be expressed in Ringgit Malaysia.

- (b) Field to be completed by the tourist prior to validation of the transaction by an RMCD Officer
- Tourist/ Customer details (name, passport number, passport issuing country, country of residence, date of arrival in Malaysia, date of departure from Malaysia, refund method)
- (c) Fields to be completed by Royal Malaysian Customs Department (RMCD)
- Endorsement by Royal Malaysian Customs Department (RMCD)
- to validate the goods purchased will be taken out of Malaysia.

(To download a soft copy of the specimen format of the refund form, please visit our website at <http://www.customs.gov.my>)

Q21. When do I issue a refund form if I am an Approved Outlet operating under the Tourist Refund Scheme?

A21. The Approved Outlet should issue the GST Refund Form on the same day you sell your goods to an eligible tourist. However, as an Approved Outlet, you can also issue the GST Refund Form for purchases made on previous dates provided you have a system that allows you to ensure that the TRS would not be manipulated or abused and you are able to check the following details:

- (a) The person requesting a GST Refund Form is the same person who purchased your goods;
- (b) The tax invoice or receipt produced has been issued by your Approved Outlet and is genuine;



- (c) No GST Refund Form has been issued before for the same tax invoice or receipt.

Q22. What action is required by an Approved Refund Agent when making any GST refund to tourist?

A22. Before any GST refunds are made, the Approved Refund Agent would have to:

- (a) Ensure the GST Refund Form has been endorsed by RMCD and it is received within 2 months from the date of endorsement (manual during contingency);
- (b) Check to see if any alterations have been made on the GST Refund Form. If any alteration is made, it should be chop and signed by the proper officer of customs (manual during contingency);
- (c) The refund transaction has been digitally stamped in the Customs Approval System (CAS) and it was stamped within 2 months from the date of GST refund claim (online transaction);
- (d) Approved Refund Agent can only refund the GST amount claim on the actual eligible goods under TRS. Reimbursement claim can only be made on the actual amount refunded and not on the amount of GST paid as stated in the GST Refund Form.

Claiming A Refund From RMCD Under TRS

Q23. What must an Approved Refund Agent do to claim refund/ reimbursement of GST from RMCD?

A23. As an Approved Refund Agent you must:-

- (a) Be a GST registered person;
- (b) Have received the GST refund form endorsed by RMCD from the tourist within 2 months from RMCD endorsement of the refund form;
- (c) Have refunded the GST to the tourist (minus administrative fee) within 2 months from the date of RMCD endorsement of the refund form. If



GST refund is made via cheque to the tourist, can claim GST reimbursement from RMCD only after the cheque has been cashed by the tourist.

- (d) Put up claim of GST reimbursement (amount refunded to tourist plus administrative fee) from RMCD through a half monthly statement. Approved Refund Agent will file reimbursement claim every two weeks and payment by RMCD on every reimbursement claim made will be within 30 days.
- (e) Need not attach the claim forms to the half monthly (two weeks once) statement but must keep the claim forms for auditing purposes
- (f) Maintain documents and records for seven years and make sure all conditions of the TRS has been fulfilled.

Q24. Can the refund be made if the tourist has lost the tax invoice?

A24. If the customs officer is able to verify the goods to be exported (taken out of Malaysia) by the tourist against the TRS refund form then the refund may be considered. RMCD can also check with the Approved Outlet if purchases was actually made by the tourist at the Approved Outlet.

Q25. What will happen if the tourist fail to produce the GST refund form at the customs check point?

A25. No GST refund will be allowed without the refund form.

Records, Account Keeping and Expenses

Q26. What type of documents and records does an Approved Refund Agent need to maintain under TRS?

A26. To qualify for a reimbursement from RMCD, it is important for an Approved Refund Agent (ARA) to maintain the following documents for at least 7 years to prove to RMCD that ARA have satisfied all the conditions of claiming reimbursement under TRS:-

- (a) Separate account (hard copy/soft copy) of sales record at the Approved Outlets, and refunds of GST made to eligible tourists under the TRS;
- (b) Copies of invoices and receipts issued for the eligible goods under TRS which have been exported;
- (c) Original copy of endorsed GST Refund Form received from the tourists; and
- (d) Evidence of payment made to the tourists. Required to maintain records of refund payment (cheque, bank cheque, credit card and cash) issued as part and parcel of the accounting and business records. All these records are to be kept for auditing purposes.

Q27. Can an Approved Refund Agent claim ITC?

A27. The supply of services by an Approved Refund Agent is categorized as International services and it is to be zero-rated. These services are given in respect of goods exported. Hence, GST is charged at zero rate on the administrative fees charged by ARA to tourists. However, an Approved Refund Agent who is a GST registered person is entitled to claim ITC.

Q28. Do you need to account for GST on the administrative fees charged to tourist by an Approved Refund Agent under TRS?

A28. The administrative fees is a consideration for a supply of service to the tourists by an Approved Refund Agent and it is to be zero rated because it qualifies as an international service. These service is supplied directly in connection with goods for export outside Malaysia and supplied to a person who belongs in a country other than Malaysia, at the time the service was performed.

FEEDBACK OR COMMENTS

25. Any feedback or comments will be greatly appreciated. Please email your feedback or comments to gstsector6@customs.gov.my.



FURTHER INFORMATION

26. Further information can be obtained from:

- (a) GST Website: www.gst.customs.gov.my
- (b) GST Hotline: 03-88822111
- (c) Customs Call Centre:
 - Tel : 03-78067200/ 1-300-888-500
 - Fax : 03-78067599
 - E-mail : ccc@customs.gov.my



APPENDIX 2

Appendix 2
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Global Blue
MALAYSIA
!!! ATTENTION !!!
GST REFUND

****YOUR REFUND AMOUNT****
MYR ****<TotalRefundAmount>**



<DelimitedDocID>

!! HOW TO GET !!
!! YOUR MONEY BACK !!

FOLLOW THE STEPS 1 - 2 - 3 - 4

1. CUSTOMER DETAILS

PASSPORT NUMBER:
<TouristPassportNr>

F COUNTRY:
I <TouristCountry>

L FULL NAME:
<TouristName>

I ARRIVAL DATE (DD/MM/YYYY):
<TouristArrivalDate>

DEPARTURE DATE (DD/MM/YYYY):
<TouristDepartureDate>

2. LEGAL DECLARATION

By using IRIS Global Blue's tax refund service you consent to the terms and conditions of IRIS Global Blue's Privacy Policy and to IRIS Global Blue collecting, transferring (including to outside of Malaysia), processing and using your personal data in accordance with IRIS Global Blue's Privacy Policy. If you do not consent to IRIS Global Blue's Privacy Policy then make this known to IRIS Global Blue prior to claiming your tax refund as IRIS Global Blue can only process your tax refund in accordance with IRIS Global Blue's Privacy Policy.

3. REFUND METHOD

S [>] Credit card
E <CreditCardNumberMasked>

L [>] Cash refund

C

T

4. CUSTOMS VALIDATION

V Customs Verification of Export (if manually stamped)

A

L

I

D

A

T

E

APPROVED OUTLET DETAILS

R Doc-ID <DelimitedDocID>

E <ShopName1>

T <ShopName2>

A <ShopAddress1>

I <ShopAddress2>

L <ShopCity> <ShopZipCode>

E GST nr. <ShopVatRegNumber>

R

PURCHASE DETAILS

Date of issue: <IssueDate>

Original receipt(s) must be presented.

Receipt Number/Desc Price Incl. GST

<ReceiptNr1> <GoodDescription1> <GrossAmt1>

<ReceiptNr2> <GoodDescription2> <GrossAmt2>

<ReceiptNr3> <GoodDescription3> <GrossAmt3>

Total amount incl. GST ****<TotalGrossAmount>**

GST amount ****<TotalVatAmount>**

Administrative Fee: ****<AdminCharge>**

REFUND AMOUNT: **<TotalRefundAmount>****

Phone: +421 232 111 111 or +65 69 22 55 88
E-mail: taxfree@globalblue.com

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APPENDIX 3

GST Refund Form

REFUND OF GST
GLOBAL BLUE MALAYSIA

Appendix 3

Receipt date	Receipt No.	Description	Quantity	Price (inc. GST)	MYR
					•
					•
					•
					•
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					•
					•
					•
					•
					•

Total payment (inc. GST) in words:

Total payment (inc. GST) MYR:

Date of issue:

GST amount: MYR

Administrative fee: MYR

Refund amount:

CUSTOMER DETAILS

PASSPORT NUMBER:

PASSPORT ISSUED BY:

FULL NAME:

COUNTRY OF RESIDENCE:

ARRIVAL DATE (DD/MM/YYYY): DEPARTURE DATE (DD/MM/YYYY):

REFUND METHOD

1. Credit card

Credit card number:

CUSTOMER DECLARATION

By using IRIS Global Blue's tax refund service you consent to the terms and conditions of IRIS Global Blue's Privacy Policy and to IRIS Global Blue collecting, transferring (including to outside of Malaysia), processing and using your personal data in accordance with IRIS Global Blue's Privacy Policy. If you do not consent to IRIS Global Blue's Privacy Policy then make this known to IRIS Global Blue prior to claiming your tax refund as IRIS Global Blue can only process your tax refund in accordance with IRIS Global Blue's Privacy Policy.

APPROVED OUTLET DETAILS

Approved outlet name: Approved outlet reference number:

Approved outlet address:

GST Registration number:

REMEMBER!
YOU MUST PRODUCE THIS FORM AND THE GOODS TO CUSTOMS
AT THE LAST POINT OF DEPARTURE FROM MALAYSIA

NO CUSTOMS STAMP
=
NO REFUND

RMCD Signature:



Mail to: Global Blue P.O. Box 363, 810 00 Bratislava, Slovakia, Phone: +421 232 111 111 or +65 69 22 55 88, E-mail: taxfree@globalblue.com, www.globalblue.com

THIS FORM AND GOODS MUST BE PRODUCED TO CUSTOMS ON FINAL DEPARTURE FROM MALAYSIA!

REFUND RULES

An Immediate Refund will always be paid in the currency of the country where the Refund Office is located. Alternatively, if a different currency is selected, the current "we buy" rate of a recognized Bureau de Change at the same location as where the refund is presented will be applied for the currency conversion. IRIS Global Blue reserves the right of choosing the appropriate refund method in exceptional cases at its reasonable discretion.

For a Non-Cash Refund in a currency different than the currency in which the GST Refund Form ("Form") is issued, the current "we sell" rates of a recognized European Retail Bank, plus 3 - 5 %, will be applied for the currency conversion. Credit card accounts will always be credited in credit card currency. Cash refunds can be offered for electronically issued transactions only.

REFUND VALUE

Subject to the above Refund Rules, the amount actually refunded is equal to the amount of GST paid in store less the administrative fee of IRIS Global Blue. A refund will not be made in cases where the Approved outlet that has issued the Form has not complied with its contractual obligations towards IRIS Global Blue.

REFUND PERIODS

Immediate Refund in cash is made upon receipt of a duly filled in and validated Form. Immediate Refund to a credit card account is made within five (5) business days of receipt of a Form.

Refund to a credit card account is made within three (3) weeks of receipt of a Form by mail. Processing time for any involved credit card company or bank is excluded.

IMMEDIATE REFUND IN CASH

A cash handling fee per "Form" may be charged should you require an Immediate Refund in cash outside Malaysia.

PRIVACY POLICY

IRIS Global Blue as data controller and its subsidiaries and affiliates have implemented appropriate physical, electronic and managerial resources to protect your personal data ("PD") and to prevent unauthorised access or disclosure of such data.

The PD provided by you in the GST Refund Form ("Form") will be processed by IRIS Global Blue, as well as its data processors, such as but not limited to, other companies in the IRIS Global Blue Group, affiliated retailers and refund offices, for purposes of refund of goods and service tax or similar ("GST") and book-keeping, statistics and business development purposes. IRIS Global Blue may furthermore transfer on your behalf any mandatory data for GST refund purposes to tax authorities, Customs and such banks or credit card companies which are appointed by you for refund of GST.

Processing for the above purposes may take place anywhere in the world. A list of companies processing your PD will, on your request, be made available by Global Blue Customer Service. You can access your PD to verify its accuracy and completeness and to evaluate the purposes for which the information is being used and to whom the PD has been disclosed. You can request correction or deletion of your PD at any time free of charge. For information please contact Global Blue, P.O.Box 363, 810 00 Bratislava, Slovakia, Phone +421 232 111 111 or +65 69 22 55 88, e-mail privacy@globalblue.com.

By submitting the Form you consent to the processing of your PD as set out in this Privacy Policy, including transfer to any data processor established anywhere in the world.

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