

**MINIT MESYUARAT BIL 2/2015**  
**JAWATANKUASA TEKNIKAL ISU PELAKSANAAN GST**

**1. KETERANGAN AM**

Tarikh : 29 April 2015  
Masa : 9.30 pagi  
Tempat : Bilik Mesyuarat, Bahagian GST  
Aras 4 ,MenaraTulus

**2. KEHADIRAN**

BIL.	NAMA PEGAWAI	AGENSI
1.	Dato' Subromaniam Tholasy Pengarah Kastam Bahagian GST	Jabatan Kastam Diraja Malaysia
2.	Puan Amarjit Kaur a/p Maktiar Singh Tim. Pengarah Kastam Bahagian GST	Jabatan Kastam Diraja Malaysia
3.	Tuan Ahmad Maher bin Abdul Jalil Tim. Pengarah Kastam Bahagian GST	Jabatan Kastam Diraja Malaysia
4.	Puan Tengku Aini Baldri binti Engku Mansor Tim. Pengarah Kastam Bahagian GST	Jabatan Kastam Diraja Malaysia
5.	Puan Rokiah binti Embong Tim. Pengarah Kastam Bahagian GST	Jabatan Kastam Diraja Malaysia
6.	Puan Norharisah Dukues binti Abdullah Penolong Kanan Pengarah Kastam I Bahagian GST	Jabatan Kastam Diraja Malaysia
7.	Puan Norizan binti Ramli Penolong Kanan Pengarah Kastam I Bahagian GST	Jabatan Kastam Diraja Malaysia
8.	Tuan Jifridin bin Che Daud Penolong Kanan Pengarah Kastam I Bahagian GST	Jabatan Kastam Diraja Malaysia

9.	Puan Maimon binti Zaid Penolong Kanan Pengarah Kastam II Bahagian GST	Jabatan Kastam Diraja Malaysia
10.	Puan Almirulita binti Mohd Yusoff Penolong Kanan Pengarah Kastam II Bahagian GST	Jabatan Kastam Diraja Malaysia
11.	Encik Michael Hendroff	Malaysia Institute of Accountants
12.	Puan Azlina binti Zakaria	Malaysia Institute of Accountants
13.	Encik Abdul Samad bin Ibrahim	Federation of Malaysian Manufacturers
14.	Puan Maygelah Siva	Federation of Malaysian Manufacturers
15.	Y.Bhg Raja Dato' Abd Aziz Musa	Federation of Malaysian Manufacturers
16.	Encik Lim Kok Seng	Chartered Tax Institute of Malaysia
17.	Encik SM Thanneermalai	Chartered Tax Institute of Malaysia
18.	Encik Koong Lin Loong	The Associated Chinese Chambers of Commerce and Industry of Malaysia
19.	Y. Bhg Dato' Paul Selva Raj	Gabungan Persatuan Pengguna-Pengguna Malaysia (FOMCA)
20.	Y.Bhg Dato' Chua Tia Guan	Ahli PEMUDAH
21.	Y.Bhg Dato' Nadzim bin Johan	Persatuan Pengguna Islam Malaysia
22.	Encik M. Fareez	Persatuan Pengguna Islam Malaysia
23.	Puan Low Sew Hon	Kementerian Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan

24.	Puan Kala Devi	Kementerian Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan
25.	Puan Norizan binti Ramli Pen Kanan Pengarah Kastam I Bahagian GST	Jabatan Kastam Diraja Malaysia <i>Sekretariat</i>
26.	Tuan Osman bin Abd Karim Pen Kanan Pengarah Kastam II Bahagian GST	Jabatan Kastam Diraja Malaysia <i>Sekretariat</i>
27.	Tuan Norudin bin Ya'acob Pen Pengarah Kastam Bahagian GST	Jabatan Kastam Diraja Malaysia <i>Sekretariat</i>


BIL	UCAPAN ALUAN	TINDAKAN
3.	<p>Ucapan alu-aluan Yg.Bhg. Dato' Pengerusi</p> <p>Y.Bhg Dato' memulakan mesyuarat dengan ucapan selamat pagi dan mengalu-alukan kedatangan ahli mesyuarat.</p> <p>Y.Bhg Dato' mengingatkan tentang isu yang ingin dibangkitkan hendaklah dihantar lebih awal iaitu sekurang-kurangnya dua (2) minggu sebelum mesyuarat diadakan. Ini adalah untuk memastikan isu yang berbangkit dapat diberikan maklum balas oleh Cawangan/Sektor/Unit berkenaan.</p> <p>Y.Bhg Dato' berpendapat adalah lebih baik jika Badan Professional yang ada dalam Jawatankuasa ini tampil dan memberikan komen/pandangan yang membina mengenai GST. Ini kerana komen/pandangan daripada Badan Professional memberikan impak yang lebih ketara berbanding komen daripada pihak Kerajaan sendiri.</p> <p>Y.Bhg Dato' meminta jasa baik semua NGO dan Badan Professional supaya menyalurkan semua aduan dan <i>complaints</i> kepada Jabatan Kastam Diraja Malaysia supaya dapat diambil tindakan yang sewajarnya.</p>	Makluman
BIL.	PENGESAHAN MINIT MESYUARAT	TINDAKAN
4.	Minit Mesyuarat Jawatankuasa Teknikal Isu Pelaksanaan GST bil. 1/2015 disahkan dengan sedikit pindaan iaitu di para 4.4 – Isu Bil Elektrik	
BIL	PERKARA-PERKARA YANG DIBINCANGKAN	
5.	<p>5.1 Tiada Kes Dibawa Ke Mahkamah</p> <p>Ahli mesyuarat membangkitkan tentang ketiadaan kes yang dibawa ke Mahkamah. Rakyat umum ingin melihat tindakan yang telah diambil oleh pihak Kerajaan berkaitan penyalahgunaan (<i>misuse</i>) GST</p> <p>Y.Bhg Dato' memaklumkan terdapat kes berkaitan GST akan dibawa ke Mahkamah Majistret Shah Alam</p>	

<p>esok. Setakat ini hampir tiga puluh (30) kertas siasatan (IP) telah dibuka oleh Bahagian Penguatkuasaan .</p>	Makluman
<p><b>5.2 Isu Kad Prabayar</b></p> <p>Y.Bhg Dato' memaklumkan Ketua Pengarah Kastam akan membuat kenyataan akhbar pada hari ni pada jam 12.00 tgh.</p>	Makluman
<p><b>5.3 Harga Barang Yang Mahal</b></p> <p>Wakil PPIM memaklumkan terdapat peniaga yang menaikkan harga dengan alasan GST walaupun peniaga berkenaan tidak mempunyai lesen GST.</p> <p>Y.Bhg Dato' menggesa supaya resit yang dikeluarkan oleh peniaga yang tidak berdaftar dengan GST dikemukakan kepada Jabatan Kastam untuk tindakan lanjut..</p> <p>Y.Bhg Dato' seterusnya memaklumkan aduan dan <i>complaints</i> hendaklah disalurkan kepada Tuan Osman di alamat osman.karim@customs.gov.my</p>	Makluman
<p><b>5.4 Slogan <i>Absorbing the GST</i></b></p> <p>Y.Bhg Dato' menegaskan bahawa isu "Kami Tanggung GST" oleh JAKEL dan Mydin sebagai promosi syarikat. Undang-undang GST menyebutkan bahawa bekalan barang dan perkhidmatan hendaklah dikenakan GST samada ianya <i>exclusive</i> atau <i>inclusive</i>. Sebenarnya syarikat telah mengurangkan base price jualan mereka di mana GST dikenakan secara inclusive dan pada masa sama perlu memenuhi kehendak Regulation 22 Peraturan Cukai Barang Perkhidmatan 2014.</p> <p>Ahli mesyuarat berpendapat slogan ini mengelirukan pengguna seolah-olah GST tidak dikenakan atas pembelian tersebut</p>	Makluman
<p><b>5.5 Sewa Teksi</b></p> <p>Persatuan Pengguna Islam Malaysia membangkitkan tentang isu gst ke atas sewa yang kena dibayar oleh pemandu teksi sedangkan pengangkutan penumpang oleh teksi merupakan pembekalan yang dikecualikan.</p> <p>Y.Bhg Dato' memaklumkan sewa yang dikenakan oleh syarikat teksi kepada pemandu teksi adalah berkadar standard. Justru, pemandu teksi kena bayar gst ke atas sewa teksi tersebut</p>	Makluman


<p><i>Mesyuarat seterusnya dipengerusikan oleh Tim Pengarah Kastam, Sektor 1</i></p>	
<p><b>5.6 Caj Yang dikenakan Oleh Local Authority</b></p> <p>Ahli mesyuarat membangkitkan tentang caj yang dikenakan oleh Local Authority.</p> <p>Pengerusi mesyuarat memaklumkan <i>local authority</i> tidak dikecualikan daripada GST. Perkara ini adalah selaras dengan Butiran 3, Jadual Pertama, Perintah Cukai Barang dan Perkhidmatan (Pelepasan 2014).</p>	<p>Makluman</p>
<p><b>5.7 Advisory Audit</b></p> <p>Ahli mesyuarat membangkitkan tentang <i>advisory audit</i> yang dijalankan oleh Jabatan Kastam. Adakah ianya dijalankan dalam tahun yang sama atau selepas 2 (dua) tahun GST dilaksanakan.</p> <p>Pengerusi mesyuarat memaklumkan ianya adalah di bawah bidang kuasa Pengarah Kastam Bahagian GST dan Pengarah Kastam Bahagian Pengurusan Pematuhan.</p>	<p>Pengarah Kastam Bahagian GST</p>
<p><b>5.7 Tuntutan ITC Oleh Registrant Yang Menyewa</b></p> <p>Ahli mesyuarat memaklumkan perkara ini telah menyebabkan banyak masalah timbul. Ianya telah dibangkitkan kepada MOF tetapi sehingga kini belum ada sebarang keputusan.</p> <p>Pengerusi memaklumkan bahawa perkara ini akan dirujuk kepada Pengarah Bahagian GST.</p>	<p>Pengarah Kastam Bahagian GST</p>
<p><b>5.8 Term &amp; Reference Untuk Jawatankuasa Pelaksanaan GST</b></p> <p>Ahli mesyuarat memohon supaya Jawatankuasa Pelaksanaan GST mempunyai <i>Term &amp; Reference</i> yang jelas supaya pelaksanaan mesyuarat tidak bertindih dengan mesyuarat yang lain.</p>	<p>Urusetia</p>
<p><b>5.9 Pembentangan Isu-Isu</b></p> <p>Sebanyak 22 isu berkaitan GST telah dipaparkan dan dijawab oleh ketua Sektor berkaitan.</p> <p>Isu-isu berkaitan adalah seperti di Lampiran.</p> <p>Isu dan jawapan akan diemailkan kepada ahli mesyuarat memandangkan edaran semasa mesyuarat tidak mempunyai jawapan ke atas isu yang dibangkitkan.</p>	<p>Urusetia</p>

<b>6.</b>	<b>PENUTUP</b>	
	<p>Pengerusi mengingatkan ahli mesyuarat supaya isu yang dikemukakan kepada Jabatan hendaklah disertakan dengan cadangan dan pandangan.</p> <p>Pengerusi mengucapkan terima kasih kepada semua ahli yang hadir ke mesyuarat pada hari ini.</p> <p>Mesyuarat ditangguhkan pada jam 12:45 tgh.</p>	

Disediakan oleh :

  
**( NORUDIN BIN YA'ACOB )**  
 Penolong Pengarah Kastam  
 Bahagian GST  
 Ibu Pejabat  
 Setiausaha

Disahkan oleh :

  
**( DATO' SUBROMANIAM THOLASY )**  
 Pengarah Kastam  
 Bahagian GST  
 Ibu Pejabat  
 Pengerusi





**JABATAN KASTAM DIRAJA MALAYSIA**

Ibu Pejabat Kastam Diraja Malaysia,  
Bahagian Perancangan Korporat,  
Aras 7, Kompleks Kementerian Kewangan,  
No. 3, Persiaran Perdana, Presint 2,  
62596 PUTRAJAYA,  
MALAYSIA.



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Ruj. Kami : KE.HP(91)378/12 Klt.21 (89)  
Tarikh : 27 Mei 2015

**Pengerusi**  
**Federation Of Malaysian Manufacturers (FMM)**  
**(u.p. Cik Maygelah Siva)**

**Pengerusi**  
**Malaysian Institute Of Certified Public Accountants (MICPA)**  
**(u.p. Cik Tan Yu Yin )**

**Pengerusi**  
**Chartered Tax Institute Of Malaysia (CTIM)**  
**(u.p. Encik Lim Kok Seng)**

**JAWAPAN TERHADAP USUL BERKAITAN GST YANG DIKEMUKAKAN KEPADA  
URUS SETIA PANEL PERUNDINGAN KASTAM-SWASTA BIL.1/2015**

Merujuk kepada perkara di atas, saya dengan hormatnya menyampaikan jawapan Jabatan Kastam Diraja Malaysia berkaitan usul-usul yang telah dikemukakan oleh pihak tuan, **seperti di Lampiran 1.**

2. Sehubungan itu, sukacita juga dimaklumkan bahawa usul-usul tersebut (seperti di **Lampiran 1**) tidak akan dibincangkan dalam Agenda 5, Usul-Usul Baharu pada Mesyuarat Panel Perundingan Kastam-Swasta Bil.1/2015 yang akan diadakan pada 4 Jun 2015 nanti. Walau bagaimanapun, pihak tuan masih boleh mengemukakan isu-isu baharu berkaitan keputusan tersebut, jika ada, melalui Agenda 6: Hal-Hal Lain.

3. Sekiranya pihak tuan memerlukan penjelasan lanjut, sila berhubung dengan urus setia mesyuarat Puan Kohila Rajaram melalui telefon 03-88822409 atau emel ke [kohila.rajaram@customs.gov.my](mailto:kohila.rajaram@customs.gov.my).



4. Perhatian dan kerjasama pihak tuan dalam perkara ini amat dihargai.

Sekian, terima kasih.

*t.t*

**( AIDID BIN TAJUDDIN )**  
Ketua Urusetia,  
Panel Perundingan Kastam-Swasta,  
b.p. Ketua Pengarah Kastam  
**MALAYSIA.**

**s.k :**

Seperti di Lampiran 2.

## **LAMPIRAN 2**

- 1. The Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)**  
Bangunan MAICSA, No. 57, The Boulevard,  
Mid Valley City, Lingkaran Syed Putra,  
59200 Kuala Lumpur.
- 2. Malaysian Associated Indian Chamber of Commerce & Industry (MAICCI),**  
JKR 3190, Jalan Ledang,  
Off Jalan Duta  
50480, Kuala Lumpur
- 3. The National Chamber Of Commerce And Industry Of Malaysia (NCCIM)**  
Level 3, West Wing, Menara MATRADE  
Jalan Khidmat Usaha off Jalan Duta  
50480 Kuala Lumpur
- 4. The National ICT Association of Malaysia (PIKOM),**  
E1, Empire Damansara,  
No 2, Jalan PJU 8/8A, Damansara Perdana  
47820, Petaling Jaya, Selangor
- 5. Airfreight Forwarders Association of Malaysia (AFAM).**  
16B, 2<sup>nd</sup> Floor, Jalan Kemuja,  
Bangsar Utama,  
59000 Kuala Lumpur.
- 6. Malaysian Knitting Manufacturers Association (MKMA).**  
12-1, Jalan Megat,  
83000 Batu Pahat, Johor.
- 7. The Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM)**  
6<sup>th</sup> Floor, Wisma Chinese Chamber,  
258, Jalan Ampang,  
50450 Kuala Lumpur
- 8. Persekutuan Penghantaran Fret Malaysia (FMFF)**  
Wisma SFFLA, No. 23,  
Jalan Cemerlang,  
42000 Port Klang, Selangor.
- 9. Malaysian Association of Company Secretaries (MACS)**  
Unit A608, Block A, 6th Floor  
Kelana Square,  
No 17, Jalan SS7/26, Kelana Jaya  
47301, Petaling Jaya , Selangor.
- 10. Malaysian Institute of Accountants (MIA)**  
Dewan Akauntan No.2, Jalan Tun Sambanthan 3,  
Brickfields, 50470 Kuala Lumpur

**11. Persekutuan Wakil-Wakil Perkapalan Malaysia (FOMSA)**

c/o Mega Wan Management,  
No. 149A, 1st Floor, Persiaran Raja Muda Musa,  
42000 Pelabuhan Klang,  
Selangor.

**12. Shipping Association Malaysia (SAM)**

C/o No.7, Jalan Jurutera U1/23, Section U1,  
Hicom Glenmarie Industrial Park  
40150 Shah Alam,  
Selangor.

**13. Negeri Sembilan Industrial Liasion Council (NSILC)**

Batu 8 Jalan Seremban – Mantin,  
71700 Mantin,  
Negeri Sembilan.

**14. Central Region Shipping Association (CRSA)**

149A, 149B, 151B, Persiaran Raja Muda Musa,  
42000 Pelabuhan Klang,  
Selangor.

**15. Persatuan Pengusaha Logistik Bumiputera Selangor (PPBLS)**

Wisma SA,  
No.50, Jalan Anggerik Mokara 31/47  
Seksyen 31 Kota Kemuning  
40460 Shah Alam  
Selangor Darul Ehsan

**16. Conference of Asia Pacific Express Carriers – Malaysia (CAPEC)**

Level 7, Tower C, Uptown 5, No. 5, Jln ss 21/39,  
Damansara Uptown  
47400 PJ Selangor

**17. Dewan Perniagaan Melayu Malaysia (DPMM)**

No. 33 & 35, Jalan Medan Setia 1  
Plaza Damansara, Bukit Damansara  
50490 Kuala Lumpur

**18. Johor Freight Forwarders Association (JOFFA)**

WISMA JOFFA, No.71, Jalan Jaya Mas 1  
Taman Jaya Mas, 81300 Skudai, Johor Bahru  
Johor.

**19. Malaysian International Chamber of Commerce and Industry (MICCI)**

C-8-8, Blok C, Plaza Mount Kiara,  
No.2, Jalan Kiara,  
50480 Kuala Lumpur.

**JAWAPAN TERHADAP USUL BERKAITAN GST YANG TELAH  
DIKEMUKAKAN OLEH MICPA, FMM DAN CTIM**

	USUL	JAWAPAN
<b>MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (MICPA)</b>		
1	<p><b><u>ISU GST</u></b></p> <p>With the recent implementation of GST, the industries would appreciate an update to the written procedures on whether a taxable person is still required to impose GST on invoices issued after making GST payment via customs declaration forms in respect of the below:</p> <p>A. Principal Customs Area (PCA) to customs bonded warehouse and vice versa</p> <p>B. Free Commerce Zone (FCZ) to PCA</p> <p>C. LMW to PCA</p> <p>D. Imported goods into a FCZ / Free Industrial Zone (FIZ) that are located in a port</p> <p><b><u>CADANGAN</u></b></p> <p>To promote transparency and consistency, it is proposed that the updated written procedures be posted on the RMC's website.</p>	<p>A.</p> <p>(i) The local supply of goods from PCA company, GST to be charge in the tax invoice and to be accounted in their respective taxable period through GST-03 return, immaterial where the goods are to be delivered.</p> <p>(ii) The supply of imported goods from bonded warehouse to PCA company to be declared in Custom Form K1/K9 where custom duty and GST are payable. Please note that for the goods which are imported into a bonded warehouse and there is a supply within the bonded warehouse, the supply is disregarded. So the tax invoice issued for the supply within the warehouse, GST not to be charged but indicated as disregarded under the Warehousing Scheme. GST importation is only be paid in Customs Form K1/K9 and not on the tax invoice.</p> <p>B. Supply of goods from FCZ to PCA is treated as importation into Malaysia. Custom duty and GST to be paid in Custom Form K1/K9. The supply of commercial goods within FCZ are given relief by Minister under the provision of subsection 56(3) GSTA 2014. The tax invoice for such a supply issued by the</p>

	USUL	JAWAPAN
		<p>supplier in FCZ are granted relief from charging GST by indicating the clause below on their tax invoice “....relief from charging GST under section 56(3) GSTA 2014”. This mean GST to be paid on custom form not on tax invoice. However, the following goods are not eligible for this relief:</p> <ul style="list-style-type: none"> <li>• wine, spirits, beer and malt liquor;</li> <li>• Tobacco and tobacco products; and</li> <li>• Any goods to which credit for input tax incurred is disallowed under regulation 36.</li> </ul> <p>C. The supply of goods from LMW to PCA is treated as local supply for GST purpose. Declaration of K9 is required and upon declaration only custom duty is to be paid but GST is to be charged in the tax invoice and the LMW company will account the GST in their respective taxable period through GST-03 return.</p> <p>D. For importation of goods into FCZ is not subject to GST. However, importation of goods into FIZ which are located in FCZ in a port, which has Approved Traders Scheme (ATS) facilities will be able to suspend the GST upon importation. If the company does not have that facility, GST to be paid through Custom Form 1 GST Payable.</p> <p>The written procedures for the above GST treatment will be available in the GST guide on FCZ, FIZ and LMW.</p>

	USUL	JAWAPAN
2	<p><b><u>ISU GST</u></b></p> <p>With the recent implementation of GST, the industries would appreciate an update to the written procedures on how to claim GST relief in respect of the below:</p> <p>E. Imports subject to relief of the GST Relief Order 2014 [P.U. (A) 273] under:</p> <ol style="list-style-type: none"> <li>item 16 (goods exported &amp; subsequently re-imported for repair &amp; reprocessing)</li> <li>item 18 (production samples)</li> <li>item 19, 20 &amp; 21 (import of empty pellets/containers for re-export)</li> <li>item 22 (items imported through air courier service)</li> </ol> <p><b><u>CADANGAN</u></b></p> <p>To promote transparency and consistency, it is proposed that the updated written procedures be posted on the RMC's website.</p>	<p>The written procedure is available in the GST Import Guide.</p> <p>How to claim GST relief?</p> <ol style="list-style-type: none"> <li>Make an application to the State Director of Customs for approval to obtain relief.</li> <li>With the approval, prepare Customs Form No. 1 / No. 9 for importation in the name of the person given approval / importer.</li> <li>Third party importation will not be given relief.</li> <li>Follow Customs procedures in relation to goods imported which are given exemption from Customs duties.</li> <li>Stamp on Customs Form a statement requesting for a relief and attach the approval letter from the State Director of Customs. The statement is as follow : "Relief from payment of GST under Item ...Goods and Services Tax (Relief) Order 2014"</li> <li>If the proper officer of Customs at the entry point is satisfied that all conditions set by the State Director of Customs are fulfilled, GST will not be paid upon clearance from Customs control.</li> <li>The importer or any person given relief must ensure all the conditions relating to the relief in the GST (Relief) Order 2014 is complied with.</li> <li>The importer or any person given relief must keep proper records for purposes of auditing.</li> <li>The importer or any person given relief is required to declare under Item 13 Part C, GST-03 the total value of supplies granted GST relief.</li> </ol>

	USUL	JAWAPAN
3	<p><b><u>ISU GST</u></b></p> <p>The industries would appreciate a more comprehensive GST Guide relating to reimbursement / disbursements to capture a wider scope of activities of a principal versus an agent and any exception to such classification.</p> <p><b><u>CADANGAN</u></b></p> <p>To ensure that the correct GST treatment be accounted for, it is proposed that a comprehensive guide be made available.</p>	<p>Please refer to <b>APPENDIX 1</b> for an excerpt from the Director General's Decision 5/2015.</p>



	USUL	JAWAPAN
4	<p><b><u>ISU GST</u></b></p> <p>Where pricing adjustment occurs post importation of goods, clarification is required on the mechanism as to how and when shortfall of duties and GST (in the case of a debit note received from the importer) can be remitted to RMC, the timeline for such remittance and vide which Form.</p>	<p>Section 18 of Customs Act disallows any such correction unless notice in writing of such claim has been given at or before the time of such removal.</p>

	USUL	JAWAPAN
5	<p><b><u>ISU GST</u></b></p> <p>The present GST-03 Guidelines or the relevant specific GST Guide would need to be enhanced to assist GST Tax Return preparers to correctly file a GST Tax Return. Following are two immediate practical issues for RMC's consideration:</p> <p><b><u>CADANGAN</u></b></p> <p><u>The reporting of Part C, item 11 of GST-03 : Total Value of Export Supplies</u></p> <p>A. Should the actual total value of goods exported be based on:</p> <ol style="list-style-type: none"> <li>Invoice (foreign currency converted using prevailing bank rate); or</li> <li>K2 Form (foreign currency converted using Customs weekly export rate)</li> </ol> <p>B. <u>Reporting of Realised Foreign Exchange Gains / Losses</u></p> <ol style="list-style-type: none"> <li>Realised Foreign Exchange : Gain RM1,000; Loss RM800 <ul style="list-style-type: none"> <li>RM200 (to report net gain); or</li> <li>RM1,800 (to report total value); or</li> <li>RM1,000 (to report gain only)</li> </ul> </li> <li>Realised Foreign Exchange : Gain RM800; Loss RM1,000 <ul style="list-style-type: none"> <li>(-) RM200 (to report net loss); or</li> <li>RM Nil; or</li> <li>RM1,800 (to report total value); or</li> <li>RM800 (to report gain only)</li> </ul> </li> </ol>	<p><b>A. K2 Form</b> - Under the GST law, there is no implication of GST on classification and valuation of exported goods since all goods exported are zero rated. However you should comply with the classification and valuation requirements under the Custom Act 1967.</p> <p><b>B.</b></p> <ol style="list-style-type: none"> <li>Report RM200 net gain</li> <li>Report RM200 net loss without (-) sign</li> </ol>

	USUL	JAWAPAN
<b>FEDERATION OF MALAYSIAN MANUFACTURERS (FMM)</b>		
1	<p><b><u>CLAIM OF INPUT TAX WITHIN 6 YEARS FROM THE DATE OF SUPPLY OR IMPORTATION</u></b></p> <p>According to the GST Act, where any claim of input tax has not been made in the taxable period, the Director General may allow such person to make the claim within 6 years from the date of supply to or importation by him.</p> <p><b><u>CADANGAN</u></b></p> <p>FMM would like to suggest that if the tax document is within 6 years from date of supply or importation, taxable person is allowed to claim input tax without DG's permission.</p>	<p>Such claim can only be made within 6 years if the taxpayer has valid reasons for doing so. Otherwise the claims must be in the taxable period where he incurred the input tax and in possession of valid documents such as tax invoice or import documents.</p>

	USUL	JAWAPAN
2	<p><b><u>DROP SHIPMENT</u></b></p> <p>Manufacturer M "sold to" and "bill to" Local Company X and "ship to" Overseas customers. In the Customs Declaration, shipper is manufacturer M and not local company X.</p> <p>According to Customs official response to FMM's issues, Customs has informed us as the transfer of ownership of the goods took place in Malaysia, supply made by Manufacturer M to Local Company X is standard rated.</p> <p><b><u>CADANGAN</u></b></p> <p>FMM is of the view that this supply should be zero rated in accordance with the GST Act itself. The Act specifies that export in terms of physical movement and Customs Declaration Form overseas is zero rated.</p> <p>The example: Manufacturer M "sold to" and "bill to" Local Company X and "ship to" Overseas customers. In the Customs Declaration, shipper is manufacturer M and not local company X. These have been configured into the GST software system. The software systems such as SAP has been modify that "Ship to party" to non-MY is zero rated.</p>	<p>For this scenario, the GST treatment can be found under item 2 of DG's Decision 4/2015 dated 15.4.2015 as follows :</p> <p>Local company (LC) purchased goods from a local manufacturer (LM) and request LM to export the goods to his overseas buyer (OB). Whether the supply made by LM to LC qualify for a zero rate?</p> <p>(1) The supply of goods made by LM to LC is a standard rated supply, because the transfer of ownership of the goods took place in Malaysia. However such supply will qualify for a zero rate subject to compliance with the following conditions –</p> <p>(a) The supply is related to goods other than wine, spirit, beer, intoxicating liquor, malt liquor, tobacco and tobacco products;</p> <p>(b) LM must keep and maintain the following documents:</p> <ol style="list-style-type: none"> <li>Purchase order from LC to LM;</li> <li>Tax invoice issued by LM to LC and shipped to OB;</li> <li>Written instruction from LC that the purchase goods is to be exported to OB;</li> <li>Proof of payment from LC to LM;</li> <li>Export document such as K2/K8 where it is stated that the consignor is LM and the consignee is OB; and</li> <li>Bill of lading / airway bill stating the following details: <ol style="list-style-type: none"> <li>LM as the shipper;</li> <li>OB as the consignee;</li> </ol> and </li> </ol>

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		<p>(cc) Indicate under column “Notify Party” the details of OB or his representative and LC as the owner of the goods</p> <p>(c) LM must export the goods within 60 days or any extended period as approved by the Director General (DG) from the time of supply;</p> <p>(d) Time of supply for LM is the date of invoice issued or payment received, whichever is the earlier;</p> <p>(e) The local company (LC) must keep and maintain the following documents :</p> <p>(i) Purchase order from OB to LC;</p> <p>(ii) Invoice issued by LC to OB;</p> <p>and</p> <p>(iii) Proof of payment from OB to LC; AND</p> <p>(f) Any other necessary conditions as the Director General may require from time to time.</p> <p>(2) If LM does not have possession of the goods to be exported or control over the export arrangement he must treat the sales as local supply and subject to GST at standard rate.</p>

	USUL	JAWAPAN
3	<p><b><u>AIRPORT DUTY FREE SHOPS</u></b></p> <p>The DFS guide uploaded in the GST Portal was last revised as at 27 October 2013. Many businesses still refer to this guide in making policy and operational decisions in their sales to the DFS.</p> <p>FMM understands that there are many policy changes in the GST treatment concerning the Airport DFS.</p> <p><b><u>CADANGAN</u></b></p> <p>As there are many policy changes to the DFS status, FMM would like to request for clarification on the status of the amendments to the DFS guide.</p> <p>FMM would also like to request Customs Department to be lenient on businesses that may have made wrong business decisions due to these outdated guides uploaded in the GST Portal.</p>	<p>Panduan DFS telah siap dikemaskini sehingga 28 April 2015 dan telah dimuatnaik di dalam portal GST.</p>

	USUL	JAWAPAN
4	<p><b><u>SPECIAL SALES TAX REFUND FOR STOCK AT HAND</u></b></p> <p>The special sales tax refund for eligible products would be applicable only for goods that are paid and have reached the claimant by Mar 31st, 2015.</p> <p>The Credit periods in the industry are close to 90 to 120 days, which means that all inventory held by the claimants that has not been paid for will not be eligible for the sales tax refund.</p> <p>This has caused some businesses to return sold goods - rather than speed up payment as it would impact their cash flow adversely.</p> <p><b><u>CADANGAN</u></b></p> <p>FMM would like the Customs Department to consider current business practice of granting 90 days credit terms and to allow companies until June 2015 to make full payments.</p>	<p>Director General (DG) decision made on this issue:</p> <ol style="list-style-type: none"> <li>1. Credit period of 60 days to be given to claimant from 1 April 2015.</li> <li>2. Returning of sold goods / buy back is strictly not allowed.</li> <li>3. However, Ministry of Finance has issues through later dated 20 May 2015 ref 0.3865/356(SJ.4) (Jld.21) (SK.11)(5) to be extended to 90 days.</li> </ol>



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5	<p><b><u>ZERO RATING OF MILK FORMULA PRODUCTS</u></b></p> <p>Ministry of Finance has issued the latest list of milk formula products that will be zero-rated for GST for products used by infants and babies 0 to 36 months of age. However the latest list of products does not cover specialised products for lactose intolerant infants / babies etc.</p> <p><b><u>CADANGAN</u></b></p> <p>The FMM Infant Formula Ethics Committee in a letter dated March 31, 2015 has requested Customs and MOF to expand the list to include milk formula products for lactose intolerant infants / babies etc: 1901.10.900, 1901.10.100, 1901.10.219, 1901.10.200, 1901.19.0591, 1901.19.0592, 2106.90.910, 1901.10.900, 2106.90.990, 1901.90.591, 1901.90.592</p> <p>These HS Tariff Codes have not been included in the list although these products fall within the same category as the newly zero-rated milk formula products.</p> <p>FMM would like to support the FMM Infant Formula Ethics Committee's request to expand the list to include milk formula products for lactose intolerant infants / babies etc.</p>	<p>Masih dalam pertimbangan Kementerian Kewangan</p>

	USUL	JAWAPAN
6	<p><b><u>TREATMENT ON LMW LOCAL SALES</u></b></p> <p>There seems to be confusion on the GST treatment for LMW, FIZ and FCZ companies with and without the Approved Traders Scheme (ATS).</p> <p><b><u>CADANGAN</u></b></p> <p>FMM would like to seek clarification on the following GST treatment with and without the ATS:</p> <ul style="list-style-type: none"> <li>i. Local sales of LMW companies</li> <li>ii. LMW sales to LMW or FIZ</li> <li>iii. LMW sales to RDC or IPC</li> <li>iv. Local sales of FIZ companies</li> <li>v. FIZ sales to FIZ or LMW</li> <li>vi. FIZ sales to RDC or IPC</li> <li>vii. RDC sales to LMW or FIZ</li> <li>viii. IPC sales to LMW or FIZ</li> </ul>	<p>Refer to <b>APPENDIX 2</b></p>

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7	<p><b><u>STANDARD OPERATING PROCEDURE ON CUSTOMS DG APPROVALS</u></b></p> <p>There are many applications that call for the approval from the Customs Director General including the utilization of the GST Relief Order, application for the ATS and ATMS, Group Registration and etc.</p> <p>It has been brought to FMM's attention that letters and applications seeking the approval from the Customs DG have not been entertained.</p> <p><b><u>CADANGAN</u></b></p> <p>FMM would like to request for the Customs Department to issue Standard Operating Procedures on all GST related approvals and applications.</p>	<p><b>1) Terdapat 4 Panduan yang telah dimuatnaik dalam website <a href="http://gst.customs.gov.my">gst.customs.gov.my</a></b></p> <p>i) Panduan Pelaksanaan Butiran 3, Perintah CBP (Pelepasan) 2014. (Pelepasan perolehan barang untuk Jabatan Kerajaan Persekutuan dan Negeri)</p> <p>ii) Panduan Pelaksanaan Butiran 26, Perintah CBP (Pelepasan) 2014. (Pelepasan perolehan barang untuk Perwakilan Asing dan Pertubuhan Antarabangsa)</p> <p>iii) Panduan Pelaksanaan Butiran 6, Perintah CBP (Pelepasan) 2014. (Pelepasan Perolehan barang untuk kemudahan jagaan kesihatan swasta)</p> <p>iv) Panduan pelaksanaan tuntutan pulangan balik CBP ke atas perolehan perkhidmatan oleh Perwakilan Asing dan Pertubuhan Antarabangsa.</p> <p><b>2) Sedang menyediakan panduan pelepasan :</b></p> <p>i) Menunggu kelulusan MOF bagi Butiran 4 dan Butiran 5 berkaitan equipments and materials oleh IPTA/IPTS dan sekolah swasta.</p> <p><b>Nota:</b> Dijangka siap dalam tempoh 1 minggu selepas terima keputusan daripada MOF.</p>

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		<p>ii) Deraf SOP bagi Butiran 8, Jadual Pertama, Perintah CBP (Pelepasan) 2014. (Pelepasan untuk pertubuhan amal swasta)</p> <p>SOP ATS dan ATMS telah dikeluarkan untuk pegawai Jabatan.</p> <p>SOP memproses permohonan pendaftaran kumpulan telah dikeluarkan untuk pegawai Jabatan.</p>

	USUL	JAWAPAN
8	<p><b><u>CLARIFICATION ON THE DOUBLE TAX DEDUCTIONS ON GST TRAINING EXPENSES</u></b></p> <p>Customs Department has developed the guidelines for claiming double tax deductions on training expenses.</p> <p>According to the guidelines, in order to be eligible for the deductions, the training should be conducted by trainers that have been approved by Customs.</p> <p><b><u>CADANGAN</u></b></p> <p>Many academic institutions, accounting firms and industry associations conduct trainings on a regular basis. In order to get an approval for each training session would be tedious for both the training provider and the Customs Department.</p> <p>We would like to request the Customs Department to grant a blanket approval to these trainers and not based on a case by case basis.</p>	<p>1. Permohonan adalah <i>case by case basis</i></p> <p>a) Kelulusan dalam tempoh tiga hari berdasarkan setiap permohonan lengkap diterima.</p> <p>b) Memenuhi tatacara permohonan di para 4.0, <b>Garis Panduan Bagi Mendapatkan pengesahan JKDM Ke Atas Latihan Yang Layak Bagi Tujuan Potongan Cukai Pendapatan Di Bawah Kaedah-Kaedah Cukai Pendapatan (Potongan Bagi Kos Yang Berhubungan Dengan Latihan Untuk Pekerja Bagi Pelaksanaan Cukai Barang dan Perkhidmatan) 2014</b></p> <p>c) Kelulusan Pengarah GST Ibu Pejabat / Pengarah Kastam Negeri</p> <p>2. <i>Blanket approval</i> diberikan kepada agensi yang menjalankan kursus dengan kerjasama Jabatan Kastam Diraja Malaysia iaitu CTIM, MATA dan MIA.</p>

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9	<p><b><u>PARTICIPATING BANKS FOR ONLINE PAYMENT OF GST</u></b></p> <p>The online payment of GST can only be made through 7 participating local banks. Companies with accounts with foreign banks will require opening accounts with local banks to pay GST returns.</p> <p><b><u>CADANGAN</u></b></p> <p>In order to facilitate businesses to make GST payments, the Government should encourage foreign banks to accommodate GST transactions.</p>	<p>Bank antarabangsa yang menyediakan kemudahan Direct Debit adalah:</p> <ul style="list-style-type: none"> <li>i. Bank America</li> <li>ii. Citibank</li> <li>iii. HSBC Bank</li> <li>iv. OCBC Bank</li> <li>v. Standard Chartered Bank</li> <li>vi. Duetsche Bank</li> </ul> <p>Pembayar cukai hendaklah memohon dan mengemukakan Borang Kebenaran <i>Direct Debit</i> (DDAF) di mana-mana cawangan RHB Bank. Status permohonan akan dikeluarkan oleh RHB Bank.</p>

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<b>CHARTERED TAX INSTITUTE OF MALAYSIA (CTIM)</b>		
1	<p><b><u>INCORRECT GST RETURN – CLEAR POLICIES ON IMPOSITION OF PENALTIES</u></b></p> <p>GST is a new tax to Malaysia. Unforeseen technical and implementation issues can only been clarified shortly before and after implementation date. This apply equally to Government and businesses. In the initial stage, it is reasonable to expect continued refinements and adjustments being necessary for a new tax system implementation of this scale. Regardless of size, organisations have limited resources in dealing with a wide range of challenges and threats in today's competitive and dynamic environment. Where there is insufficient time to disseminate information and make adjustment accordingly, especially due to factors that are not in tax payer's control, gaps in system, process and procedures can lead to errors in returns.</p> <p><b><u>CADANGAN</u></b></p> <p>In the long run, the quality of tax compliance affects the costs of tax administration. Lower quality of compliance leads to higher administration costs overall. During initial stage of introducing a new tax system such as GST, punitive action should be balanced with policy that encourages better self-compliance, such as voluntary disclosure and prompt errors adjustments, so taxable persons would have good reason to come forward and correct genuine errors in tax returns as early as possible without fear of punitive action.</p>	



	USUL	JAWAPAN
	<p>To encourage self-compliance, CTIM is of the view that punitive action during the initial stage of GST implementation (e.g. first year) may be moderated taking into consideration the following mitigating factors:-</p> <ul style="list-style-type: none"> <li>• Efforts taken by taxable persons in disclosing errors on voluntary basis</li> <li>• Adjustments necessary as a result of choosing to rely on “Guidelines”/”DG’s decisions” issued, revision thereafter or clarification made available only subsequent to implementation</li> </ul> <p>For example, RMC may consider to release a clear and transparent Written Policy in this regard:-</p> <p><b>(i) Correction of Errors and Sufficient Time for Adjustment</b></p> <p>To distinguish between unintentional mistake and wilful act of tax avoidance, taxable person will be allowed to make correction of error without retrospective penalty provided correction is made within a reasonable period. Similarly, taxable persons are allowed a reasonable time period to adjust their reporting system following the resolution of a particular issue formally raised by taxpayers e.g. in the form of a formal reply, issuance of “Guidelines”/”DG Decision” or any other formal clarifications from Customs.</p> <p><b>(ii) Voluntary Disclosure</b></p> <p>To encourage self-compliance, lower rates of penalties may be offered to taxable persons who made disclosure voluntarily after the submission of their GST returns, depending on the length of time taken to make the disclosure from the due date of the submission of the return.</p>	<p>Sekiranya berlaku kesilapan maklumat dalam penyata yang telah dihantar, orang berdaftar boleh membuat pindaan dengan mengemukakan pindaan kepada mana-mana penyata. Pindaan boleh dibuat pada bila-bila masa sahaja.</p> <p>Tiada kemudahan <i>voluntary disclosure</i> pada masa ini. Penalti tidak dikenakan kepada pembayar cukai yang lewat membuat pembayaran.</p>

	USUL	JAWAPAN
2	<p><b><u>GOODS SUPPLY TO FEDERAL OR STATE GOVERNMENT</u></b></p> <p>We were informed that the Ministry of Finance has issued a letter on 4 March 2015 advising the Chief Secretary to the Government, all Chief Secretaries of Ministries, all Heads of Federal Departments and all State Secretaries that the supplies of goods to Ministries, Federal Departments and States will be GST relieved. This is in accordance to Item No. 3 of the First Schedule to the Goods and Services Tax (Relief) Order 2014 [P.U. (A) 273/2014].</p> <p>However, in the Appendix to the letter, the word “dikecualikan” (exempted) is used for supplies for contracts that spans the effective date of the implementation of GST and contracts with extension of time. This is not in line with the GST (Relief) Order 2014 and we believe the words “dikecualikan” has been mistakenly used in the place of “diberikan pelepasan” in the Appendix to the letter. In any case, the GST treatment recommended in the Appendix disregarded the transitional provisions for contracts with no opportunity to review stated in Section 187 of the GST 2014.</p> <p>We understand various Ministries and Federal Departments are now rejecting the charging of GST on <b>ALL</b> contracts spanning the effective date on the basis of the said letter and Appendix. In addition, the supplies made under these contracts are to be treated as <b>exempt</b> supplies for which the registered taxpayers are <b>not allowed to claim</b> any input tax credit they incurred to make that supplies.</p>	<p>1. Kontrak perolehan perkhidmatan (kontrak kerja) yang sedang berkuatkuasa di mana Surat Setuju Terima telah ditandatangani dan tempoh kontrak melangkaui 1 April 2015. Termasuk juga kontrak tersebut tamat.</p> <p><b>Keputusan berkenaan GST</b> Diberi pelepasan daripada kenaan GST sehingga kontrak tersebut tamat.</p> <p>2. Kontrak perolehan perkhidmatan bukan perunding (kontrak perkhidmatan) yang tidak dikenakan cukai perkhidmatan sebelum 1 April 2015, sedang berkuatkuasa di mana Surat Setuju Terima (SST) telah ditandatangani dan tempoh kontrak melangkaui 1 April 2015.</p> <p><b>Keputusan berkenaan GST</b> Diberi pelepasan daripada kenaan GST sehingga 31 Mac 2017 atau tamat tempoh kontrak, mana lebih awal.</p> <p>3. Kontrak perkhidmatan perunding dan bukan perunding yang dikenakan cukai perkhidmatan sebelum 1 April 2015.</p> <p><b>Keputusan berkenaan GST</b> Dikenakan GST walaupun Surat Setuju Terima (SST) telah ditandatangani sebelum 1 April 2015 dan kontrak melangkaui tarikh tersebut.</p>

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	<p><b><u>CADANGAN</u></b></p> <p>We request RMC to help escalate the issue to Ministry of Finance (MOF) for a prompt resolution as the implications are wide and severe.</p>	<p>Sila rujuk laman web Kementerian Kewangan, Dasar Kenaan GST dalam Perolehan Kerajaan.</p> <p>Pekeliling Perbendaharaan Malaysia PK 1/2013</p> <p>Surat Kementerian Kewangan Ruj. 0.3865/356(SJ.4)(Jld.22)(SK.24)(7) bertarikh 12 Mei 2015.</p>

	USUL	JAWAPAN
3	<p><b><u>REMOVAL OF GOODS FROM FREE INDUSTRIAL ZONE (FIZ) AND LICENSED MANUFACTURING WAREHOUSE (LMW) FOR CONSUMPTION / CIRCULATION IN PCA</u></b></p> <p>At present, customs duties and sales tax are both paid at the time of removal using Customs No.1 Forms or Customs No.9 Forms, if applicable. Under GST regime, taxable person making such supplies is required to issue a GST tax invoice for making taxable supplies (including foreign companies located outside Malaysia making such supplies in Malaysia).</p> <p><b><u>CADANGAN</u></b></p> <p>We seek the confirmation and clarification from the RMC as regard the following:</p> <ul style="list-style-type: none"> <li>• Presentation of seller's GST Tax Invoice at the time of clearance is not mandatory at the time of customs clearance as long as sufficient documents and information are made available to allow accurate assessment of Customs Value declared in K1 or K9 Forms, especially in situation where issuance of a Tax Invoice is not yet required by GST laws at the time of clearance.</li> <li>• In the event that GST Tax Invoice is not available at the time of clearance, delivery to consignees/recipients/buyers in PCA should not be denied as long as requirements under customs laws have been complied with.</li> </ul> <p>Clarity and consistency of RMC's position in all Customs Stations is important to avoid delays of goods clearance/delivery.</p>	<p><b>Tindakan : Bahagian GST</b></p> <p>1. GST Treatment is as follows :</p> <p><b>a) <u>LMW TO PCA</u></b></p> <p>Customs declaration to be made and only duty import to be paid in Customs Form No.9. GST to be charged in tax invoice and to be accounted in Form GST 03.</p> <p><b>b) <u>FIZ TO PCA</u></b></p> <p>Customs declaration to be made and only duty import to be paid in Customs Form No. 1. GST to be charged in tax invoice and to be accounted in Form GST 03.</p> <p>2. Under Section 33 of GSTA 2014, a tax invoice must be issued when a taxable supply is made. If a tax invoice is issued within 21 days from the date of supply, the time of supply is the invoice date.</p> <p>3. Under Section 174 of GSTA 2014, Customs procedures must be followed in relation to import and export of goods.</p> <p>4. In the case where it involves an importation in relation to the Customs Act i.e. LMW to PCA / FIZ to PCA, a Customs declaration must be made and a tax invoice must be attached to the Customs declaration for the purpose of Customs clearance. A tax invoice must be issued at the time of clearance for the purpose of determining the value of the supply, duty import element and the GST element since GST will not be paid on Customs declaration form. Commercial invoice cannot be used in this situation as it does not show the element of GST and this case involves a local supply.</p>

	USUL	JAWAPAN
4	<p><b><u>APPROVED TRADER SCHEME (ATS) COMPANIES</u></b></p> <p>Applicant for ATS status had not been required to provide a complete list of all raw materials and components that will be imported. However, recently the RMC have informed ATS status companies that a complete list of materials to be imported has to be submitted (and this is required before the importation for the purpose of suspension of GST). In addition, ATS approval letter requires ATS companies to furnish monthly statements.</p> <p><b><u>CADANGAN</u></b></p> <p>Confirmation of this new procedures is sought. If affirmative, a formal guideline setting out clearly the requirements including rationale, formats of documentation, record keeping and reporting requirements should be released immediately.</p>	<p>Orang yang diluluskan ATS perlu muat turun Lampiran 03 (Penyata bulanan bagi Skim Pedagang Diluluskan (SPL) dan Lampiran 04 (Penyata bulanan bagi Skim Pedagang Diluluskan (SPL) kategori "Perolehan tahunan melebihi RM25 juta dan 80% pembekalan berkadar sifar) melalui portal GST. Kemudian isi dan hantar ke stesen Kastam yang mengawal sebelum setiap 10 haribulan bulan berikutnya.</p> <p>Pindaan ke atas syarat di lampiran surat kelulusan ATS sedang dikemaskini.</p>

	USUL	JAWAPAN
5	<p><b><u>FACILITATION OF COMPLIANCE</u></b></p> <p>To enhance the quality of compliance and avoid confusion, CTIM suggests that :</p> <p>(i) All GST Guides and other publicly available guidelines and rulings relating to GST should indicate the date of issue of the updated version in the front page and a list of changes since the introduction of the original document at the end of the Guide.</p> <p>(ii) All GST Forms should accompanied by a Guidance Note on how to complete the Form. The Guides/document should be expanded and linked to the provisions of the law. In the absence of such Guidance Notes, the diverse approach in converting the 'theory' into 'practice' is inevitable and this may disrupt the statistical analysis etc.</p>	<p>It is a current practise now. Example : Refer to <b>Legal Practitioner Guide</b></p>

	USUL	JAWAPAN
6	<p><b><u>CREDIT NOTE AND DEBIT NOTE – FOREIGN CURRENCY</u></b></p> <p>Customs have stated that credit note and debit note issued in foreign currency should have a forex rate based on the day of the issuance of the credit note and not the date of the original supply.</p> <p><b><u>CADANGAN</u></b></p> <p>CTIM is of the view that this may cause significant issues as the use of a different currency rate to the original invoice would cause significant distortions to the GST reportable amounts where there have been significant movements in currency over that period. This would not represent an accurate reflection of the value paid.</p> <p>We request a formal clarification of RMC's position in this matter.</p>	<p>After deliberation, RMCD has revised the decision as follows :</p> <p>Where credit note or debit note is issued in a foreign currency, the forex rate is based on the date of the original supply.</p>

	USUL	JAWAPAN
7	<p><b><u>GST AGENT -- DECLARATION OF EXPORT VALUE IN K2 FORM [S. 65 GSTA 2014]</u></b></p> <p>“Value” in relation to goods to be exported is defined in Customs Act 1967 as price which an exporter would receive for the goods (calculated to the stage where such goods are released by Customs at the place of export). A GST Agent acting on behalf its foreign principal who is not allowed to register in Malaysia, will need to hold Customs No.2 Forms with its name in Box 1 as support for zero rating its export. Agent is not the seller and will not receive payment in respect of goods exported but only a fee for its services.</p> <p><b><u>CADANGAN</u></b></p> <p>In this respect, we would appreciate if the RMC could clarify what value the GST agent is expected to report in K2 Declaration, and the enabling provisions / basis for the agent to comply with laws.</p>	<p>For purpose of exportation goods, the value to be declared is the Free on Board (FOB) value of the goods to be exported.</p>



	USUL	JAWAPAN
8	<p><b><u>SPECIAL SALES TAX REFUND – CLASSIFICATION OF GOODS [S.190 GSTA 2014]</u></b></p> <p>Under Section 190(2) GSTA 2014, the goods must be taxable under Sales Tax Act 1972, amongst other conditions.</p> <p>We would like to seek clarification from RMC on the level of details or proofs required to support the claim that inventories held are in fact taxable under Sales tax Act 1972 e.g. would stating tariff code that applicant believe is accurate for the product according to sales tax order at present be sufficient? If further details/evidence are required, a Guideline setting out clearly supporting documents / analysis would be important.</p>	<p>Under section 190(2) GST Act 2014 a GST registered person under section 20 GST Act 2014 is allowed to claim special refund (20% method). Under this section the claimant is required to make sure all goods for claiming of special refund is not classified under the (Schedule A) Sales Tax (Exemption) Order 2013.</p> <p>The claimant of special refund under section 190(2) will have to check first whether those goods are classified under the Sales Tax (Exemption) Order 2013 or otherwise. If not classified, the claimant is eligible for special refund (20% method).</p>

**APPENDIX 1**

- (1) Recovery of expenses may be treated as disbursement and reimbursement depend on whether the expenses incurred by a principal or an agent acting on behalf of a client.
- (2) GST treatment on disbursement and reimbursement are as follows –

<b>Disbursement</b>	<b>Reimbursement</b>
Not a supply	Is a supply
Not entitle for input tax claim	Entitle for input tax claim

- (3) In general, the criteria for disbursement and reimbursement for GST purposes are as follows –

<b>Disbursement</b>	<b>Reimbursement</b>
Incur expenses as an agent acting on behalf of the client.	Incur expenses as a principal.
The client is the recipient of the supply (invoice under the client's name)	The client is not the recipient of the supply (invoice under the principal's name)
The client is the person responsible to pay for the supply	The principal is the person responsible to pay for the supply
The payment is authorised by the client	The payment is not authorised by the client
The client knew that the supply made by a third party	The client has no knowledge that the supply made by a third party
The exact amount claimed from the client and no right to alter or add on the value of the supply	The principal has right alter or add on the value of the supply
The payment is clearly an additional to the supply made to the client.	The payment is the supply made to the client.

**GST Treatment for Local Sales by LMW / FIZ / RDC / IPC**

No.	Local Sales by	To	GST Treatment (ATS not applicable for local sales)
1.	LMW	LMW	Customs declaration to be made in <b>Form GPB 1.</b> GST to be charged in tax invoice and to be accounted in Form GST 03. Duty import is exempted under Section 65/65A Customs Act 1967.
2.	LMW	FIZ	Customs declaration to be made in <b>Customs Form No. 2.</b> GST to be charged in tax invoice and to be accounted in Form GST 03. Duty import is exempted as goods are deemed exported.
3.	LMW	RDC/IPC (LMW status)	Customs declaration to be made in <b>Form. GPB 1.</b> GST to be charged in tax invoice and to be accounted in Form GST 03. Duty import is exempted if applicable.
4.	LMW	RDC / IPC (FIZ status)	Customs declaration to be made in <b>Customs Form No. 2.</b> GST to be charged in tax invoice and to be accounted in Form GST 03. Duty import is exempted as goods are deemed exported.
5.	LMW	PCA	Customs declaration to be made and only duty import to be paid in <b>Customs Form No.9.</b> GST to be charged in tax invoice and to be accounted in Form GST 03.
6.	FIZ	FIZ	In the case where the supply is made within the zone, no Customs declaration is required. GST to be charged in tax invoice and to be accounted in Form GST 03. In the case where the supply is made between the zones (FIZ to FIZ), Customs declaration to be made in <b>Customs Form No.8 and no duty import to be paid.</b> GST to be charged in tax invoice and to be accounted in Form GST 03.
7.	FIZ	RDC/IPC (LMW status)	Customs declaration to be made <b>and only duty import to be paid (if any)</b> in <b>Customs Form No. 1.</b> GST to be charged in tax invoice and to be accounted in Form GST 03.

8.	FIZ	RDC/IPC (FIZ status)	In the case where the supply is made within the zone, no Customs declaration is required. GST to be charged in tax invoice and to be accounted in Form GST 03. In the case where the supply is made between the zones (FIZ to FIZ), Customs declaration to be made in <b>Customs Form No.8 and no duty import to be paid.</b> GST to be charged in tax invoice and to be accounted in Form GST 03.
9.	FIZ	PCA	Customs declaration to be made <b>and only duty import to be paid in Customs Form No. 1.</b> GST to be charged in tax invoice and to be accounted in Form GST 03.
10.	RDC (LMW status)	LMW	Customs declaration to be made in <b>Form GPB 1.</b> GST to be charged in tax invoice and to be accounted in Form GST 03. Duty import is exempted under Section 65/65A Customs Act 1967.
11.	RDC (LMW status)	FIZ	Customs declaration to be made in <b>Customs Form No. 2.</b> GST to be charged in tax invoice and to be accounted in Form GST 03. Duty import is exempted as goods are deemed exported.
12.	RDC (FIZ status)	LMW	Customs declaration to be made in <b>Customs Form No. 1.</b> GST to be charged in tax invoice and to be accounted in Form GST 03. Duty import is exempted under Section 65/65A Customs Act 1967.
13.	RDC (FIZ status)	FIZ	In the case where the supply is made within the zone, no Customs declaration is required. GST to be charged in tax invoice and to be accounted in Form GST 03. In the case where the supply is made between the zones (FIZ to FIZ), Customs declaration to be made in <b>Customs Form No.8 and no duty import to be paid.</b> GST to be charged in tax invoice and to be accounted in Form GST 03.
14.	IPC (LMW status)	LMW	Customs declaration to be made in <b>Form GPB 1.</b> GST to be charged in tax invoice and to be accounted in Form GST 03. Duty import is exempted under Section 65/65A Customs Act 1967.
15.	IPC (LMW status)	FIZ	Customs declaration to be made in <b>Customs Form No. 2.</b> GST to be charged in tax invoice and to be accounted in Form GST 03. Duty import is exempted as goods are deemed exported.

<b>16.</b>	IPC (FIZ status)	LMW	Customs declaration to be made in <b>Customs Form No. 1</b> . Duty import is exempted under Section 65/65A Customs Act 1967. GST to be charged in tax invoice and to be accounted in Form GST 03.
<b>17.</b>	IPC (FIZ status)	FIZ	In the case where the supply is made within the zone, no Customs declaration is required. GST to be charged in tax invoice and to be accounted in Form GST 03. In the case where the supply is made between the zones (FIZ to FIZ), Customs declaration to be made in <b>Customs Form No.8 and no duty import to be paid</b> . GST to be charged in tax invoice and to be accounted in Form GST 03.