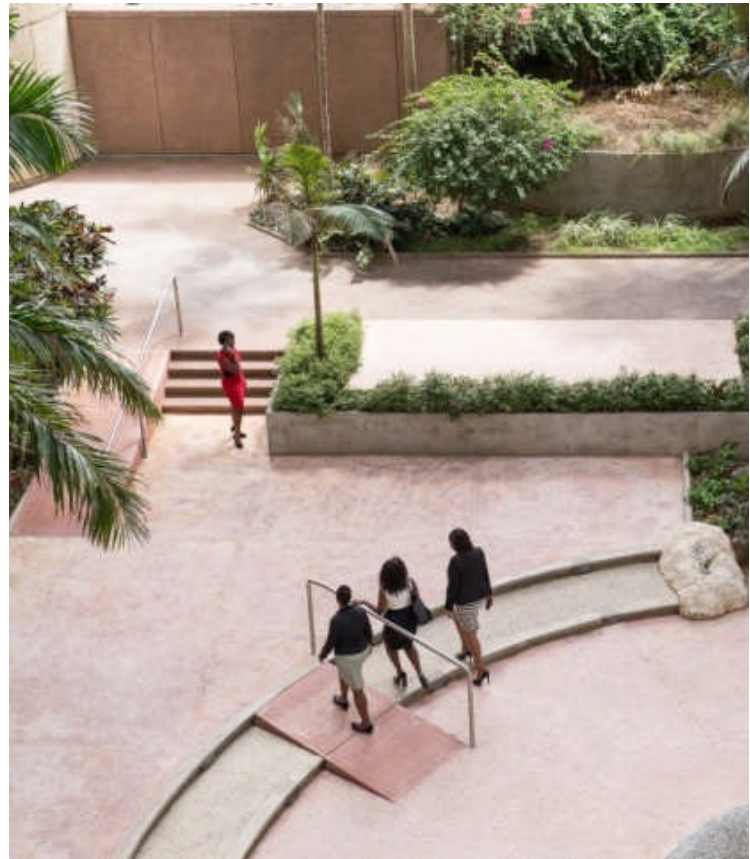


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TaXavvy

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Director General's Decisions
1/2015 – Goods and
Services Tax Frequently
Asked Issues



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Goods and Services Tax Frequently Asked Issues

The Royal Malaysian Customs Department (“RMCD”) has uploaded the Director General’s Decisions 1/2015 on the following Goods and Services Tax (“GST”) frequently asked issues on to their portal (<http://gst.customs.gov.my>):

- 1) Last date to issue invoice under the Service Tax or Sales Tax
- 2) Goods received free and given away free
- 3) Price display
- 4) Supply of SIM (Subscriber Identification Module) card prepaid or post-paid
- 5) Approval for Simplified Tax Invoice

This issue of TaXavvy will highlight the impact of the above decisions and our comments on them.

No	Issue	Comments
1	Last date to issue invoice under the Service Tax or Sales Tax	<p>The Director General (“DG”) has confirmed that a taxable person who is licensed under the Sales Tax Act 1972 or the Service Tax Act 1975 should furnish a return as required under the Sales Tax Act 1972 or the Service Tax Act 1975 for the last taxable period not later than 28 days from 1 April 2015, unless otherwise determined by the DG.</p> <p>The DG has clarified that the invoice or debit note, which imposes sales tax or service tax for goods sold or services rendered before 1 April 2015, can be issued after 1 April 2015. However, the RMCD has decided that the invoice or debit note should not be issued after 28 April 2015.</p>
2	Goods received free and given away free	<p>The DG has confirmed that a taxable person who receives a gift costing more than RM500 and which is subsequently given away for free, is not liable to account for GST because he is not entitled to claim input tax credit when receiving it.</p>
3	Price display	<p>The DG has allowed as a concession for all registered persons (including online businesses) who make taxable supplies to display, advertise, publish or quote the prices of their supplies exclusive of GST, provided that they state the words “goods or services are subject to GST 6% and price payable is exclusive of GST” and the supplies are made:</p> <ol style="list-style-type: none"> (a) only to another registered person; or (b) during transitional period for 14 days (from 1 April 2015 to 15 April 2015). <p>The DG states that online businesses must display their prices inclusive of GST but may notify customers outside Malaysia that the prices payable for goods or services brought out from Malaysia are not subject to GST.</p>

No	Issue	Comments
4	Supply of SIM (Subscriber Identification Module) card prepaid or post-paid	<p>The DG has decided that the supply of a SIM card is a supply of right to use telecommunication services, and therefore, is a supply of services.</p> <p>As such, supply of SIM cards in a designated area:</p> <ul style="list-style-type: none">• with consideration is subject to GST.• without any consideration (i.e. free) to non-connected person is not a supply, and therefore, is not subject to GST.
5	Approval for Simplified Tax Invoice	<p>The DG has made a decision to give a blanket approval to all registered persons who make supplies to end consumers (i.e. not businesses) to exclude any or all the following particulars from their tax invoice:</p> <ul style="list-style-type: none">(a) the words "tax invoice"(b) name and address of the recipient(c) the total amount payable excluding GST

Let's talk

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