



MANNER TO CLAIM INPUT TAX

GST

Regulation 40 - Can claim input tax attributable to financial supplies (incidental financial supply) as if it is input tax attributable to taxable supplies:

- ✓ deposit of money
- ✓ exchange of currency
- ✓ holding of bonds or other debt securities
- ✓ transfer of ownership of equity securities/derivatives
- ✓ provision by a taxable person of any loan, advance or credit to his employees or between connected persons
- ✓ Assignment of or the provision of credit for any trade receivable
- ✓ holding or redemption of unit trust
- ✓ hedging of interest rate risk, currency risk, commodity price risk or freight price risk

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BLOCK INPUT TAX

GST

➤ **Taxable person cannot claim input tax incurred in the course or furtherance of business with regards to:**

- ✓ purchases or import of passenger motor cars except that it is approved by DG as exclusively used for business (DG's Decision 2/2014)
- ✓ supply of goods or services relating to repair, maintenance and refurbishment of a passenger motor car
- ✓ hiring passenger motor car
- ✓ club subscription fee
- ✓ medical and personal accident insurance
- ✓ medical expenses
- ✓ family benefits
- ✓ entertainment expenses for family members and potential clients

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Taxable person cannot claim input tax incurred in the course or furtherance of business with regards to:

- ✓ purchases or import of passenger motor cars except that it is approved by DG as exclusively used for business (DG's Decision 2/2014)
- ✓ supply of goods or services relating to repair, maintenance and refurbishment of a passenger motor car
- ✓ hiring passenger motor car



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Passenger motor car

a motor car that is constructed or adapted for carrying not more than nine passengers including the driver and unladen weight of which does not exceed three thousand kilograms

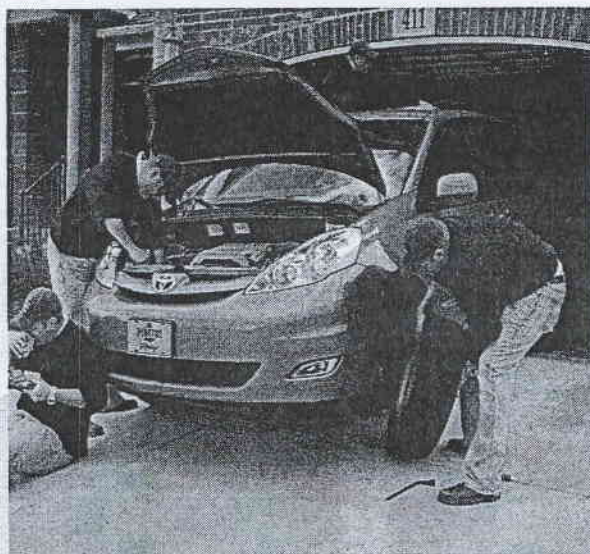
Exclusion

- ✓ public service or tourism motor cars
any public service vehicle licensed under Commercial Vehicle Licensing Board Act 1987 or tourism vehicle licensed under Tourism Vehicle Licensing Act 1999;

Cont.....

- hire and drive cars or cars sold by second hand car dealers
a motor car supplied to or imported by a taxable person for the purposes of being let on hire or sold by that taxable person who is a dealer of motor cars licensed under the Second-Hand Dealers Act 1946;
- cars used for driving instructional purposes
an approved vehicle used for driving instructional purposes by a driving school or driving institute permitted under Motor Vehicles (Driving Schools) Rules, 1992;
- cars forming part of stock in trade
a motor car which forms part of the stock in trade of a motor manufacturer or a motor dealer;
- cars used exclusively for business purposes approved by Director General
any motor car which is used exclusively for the purposes of business as may be approved by the Director General

2. the supply of goods or services relating to repair, maintenance and refurbishment of a passenger motor car





3. Family benefits

any family benefits including hospitality of any kind provided by the taxable person for the benefit of any person who is the wife, husband, child including adopted child in accordance with any written law or parents of any person employed by the taxable person



4. Club subscription fee

joining fee, membership fee, transfer fee or other fees charged by any club, association, society or organization established principally for recreational or sporting purposes or by the transferor of the membership or such club, association, society or organization as the case may be





5. Medical and personal accident insurance

any payment or contribution towards any insurance contracts or takaful certificates:-

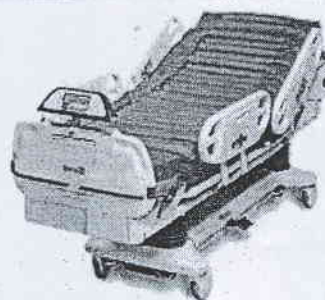
- (a) for indemnifying the taxable person against the cost of medical treatment to any person;
- (b) Against the cost of medical treatment in which the insured or participant is a person employed by the taxable person; or
- (c) Against any personal accident in which the insured or participant is a person employed by the taxable person

but does not include any insurance contract or takaful certificate against any liability which the taxable person may incur under the Employees' Social Security Act 1969 and the Workmen's Compensation Act 1952 where such expenses is obligatory under the Act or any collective agreement within the meaning of the Industrial Relations Act 1967



6. Medical expenses

- any medical expenses incurred in connection with all forms of medical treatment to any person employed by a taxable person but does not include medical expenses incurred under the Employees' Social Security Act 1969 and the Workmen's Compensation Act 1952 where such expenses is obligatory under the Act or any collective agreement within the meaning of the Industrial Relations Act 1967





- 7. entertainment expenses for family members and potential clients except entertainment expenses incurred by a person who is in the business of providing entertainment

Entertainment expenses includes:

- The provision of any food, drink, recreation or hospitality of any kind, or
- The provision of accommodation or travel associated with the provision of food, drink or recreation

“recreation or hospitality” would include:

- a trip to a theme park or a recreation centre;
- a stay at a holiday resort;
- tickets to a show or theatre; and
- entry to sporting activities/events



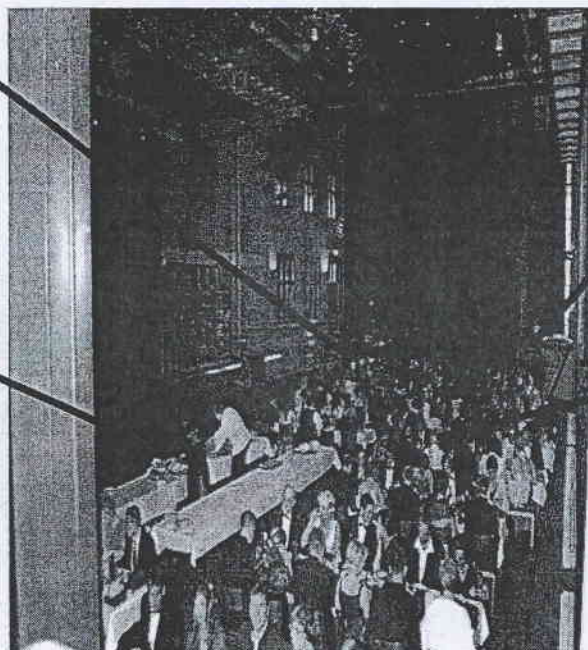
Entertainment expenses



Spouse
or family
members



Potential
clients



Employees



Existing customers



Existing
Clients



BAD DEBT RELIEF

- **Bad Debt Relief** - section 58/Part X GST Regulations
 - ✓ the taxable person has not received any payment or part of payment in respect of the taxable supplies
- **Conditions to apply relief**
 - ✓ GST has been paid
 - ✓ has not received any payment or part payment 6 months from the date of supply or the debtor has become insolvent before the period of 6 months has elapsed
 - ✓ sufficient efforts have been made to recover the debt
- **Mechanism for Bad Debt Relief (BDR)**
 - ✓ Supplier shall claim BDR immediately in the taxable period after the expiry of the sixth month from the date of supply.
 - ✓ Buyer who claimed the input tax but fails to pay his supplier within six months from the date of supply shall account for output tax immediately after the expiry of the sixth month (s.38(9) GSTA)
 - ✓ Shall make adjustment in the GST return for bad debt relief claim

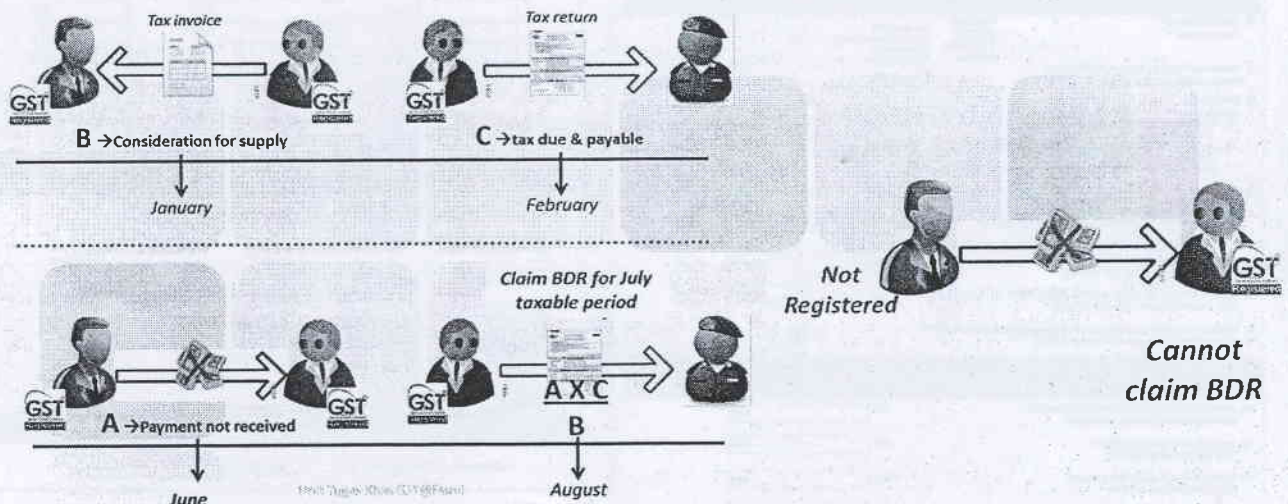


BAD DEBT RELIEF

DG's Decision 1/2014 (Amendment) ITEM 3: Claiming bad debt relief

The bad debt relief may be claimed if –

- (a) requirements under s.58 GSTA and Part X of GST Regulations 2014 are fulfilled; and
- (b) the supply is made by a GST registered person to another GST registered person; and



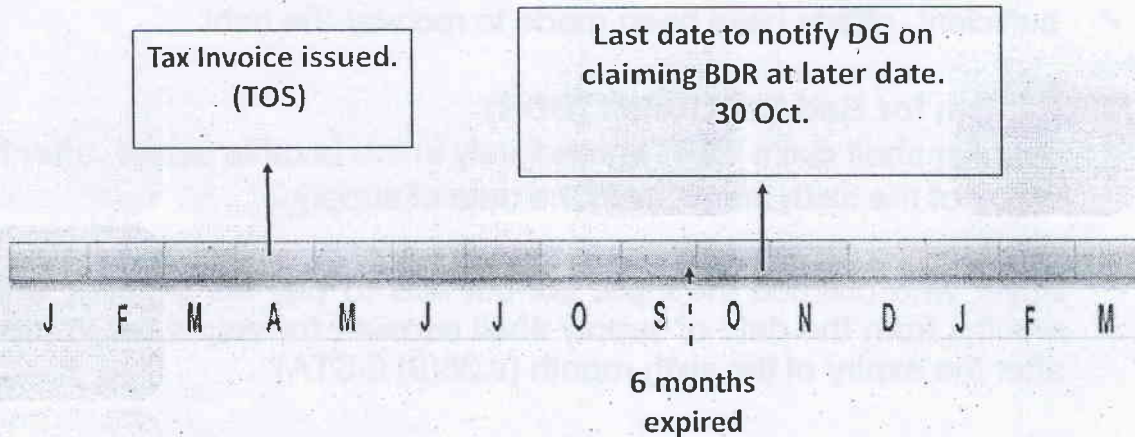


BAD DEBT RELIEF



DG's Decision 1/2014 (Amendment)
ITEM 3: Claiming bad debt relief

(iv) If the bad debt relief is not claimed by the supplier in the immediate taxable period immediately after the expiry of the sixth month, then the taxable person **has to notify** the Director General (DG) within **30 days** after the expiry of the sixth month on his intention to claim at a later date.



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FILLING OF GST RETURN



PAGE 1 of 2

JABATAN KASTAM DIRAJA MALAYSIA
ROYAL MALAYSIAN CUSTOMS DEPARTMENT **GST-03**

Penyataan
Amendment

BAHAGIAN A: BUTIRAN ORANG BERDAFTAR
PART A: REGISTERED PERSON DETAILS

1) No. CBP *
GST No. * 00026736980

2) Nama Perniagaan *
Name of Business *

BAHAGIAN B: BUTIRAN PENYATA
PART B: RETURN DETAILS

3) Tempoh Berakhir *
Taxable Period *
Tarikh Mula / Start Date: 01-Apr-2015
Tarikh Akhir / End Date: 30-Apr-2015

4) Tarikh Akhir Semula Penyata dan Bayaran *
Return and Payment Due Date * 01-Jun-2015

5) Cukai Output
Output Tax

a) Jumlah Nilai Pembekalan Berdaftar Standard * Total Value of Standard Rated Supply *	RM	1,000.00
b) Jumlah Cukai Output (Termasuk Hutang Lupa Dikayar Baik dan Peralihan Iaiti) * Total Output Tax (inclusive of Bad Debt Recovered and other adjustments) *	RM	40.00

6) Cukai Input / Input Tax

a) Jumlah Nilai Pembekalan Berdaftar Standard * Total Value of Standard Rated Acquisition *	RM	500.00
b) Jumlah Cukai Input (Termasuk Pelepasan Hutang Lupa dan Peralihan Iaiti) * Total Input Tax (inclusive of Bad Debt Recovered and other adjustments) *	RM	20.00

7) CBP Kera Dibayar (Butiran 5b - Butiran 6b) *
GST Amount Payable Items 5b - Item 6b) *
ATAU / OR

a) Jumlah CBP Boleh Dibayar (Butiran 6b - Butiran 6a) * GST Amount Claimable (Items 6b - Item 6a) *	RM	0.00
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8) Adakah anda memilih untuk memajukan permohonan bayaran balik CBP?
Do you choose to apply forward refund for GST? Ya / Yes Tidak / No

BAHAGIAN C: MAKLUMAT TAMBAHAN
PART C: ADDITIONAL INFORMATION

10) Jumlah Nilai Pembekalan Temporan Berdaftar Sifar *
Total Value of Local Zero-Rated Supplies * RM 0.00

11) Jumlah Nilai Pembekalan Ekspor *
Total Value of Export Supplies * RM 0.00

12) Jumlah Nilai Pembekalan Dikecualikan *
Total Value of Exempt Supplies * RM 0.00

13) Jumlah Nilai Pembekalan Diberi Pelepasan CBP *
Total Value of Supplies Granted GST Relief * RM 0.00

PAGE 2 of 2

14) Jumlah Nilai Pengimporan Barang Dibawah Skema Pedagang Dikeluarkan *
Total Value of Goods Imported Under Approved Trader Scheme * RM 0.00

15) Jumlah Nilai CBP Inport Dipelekatkan di bawah Skema 14 *
Total Value of GST Suspended under item 14 * RM 0.00

16) Jumlah Nilai Perolehan Harta Maksud *
Total Value of Capital Goods Acquired * RM 0.00

17) Pelepasan Hutang Lupa *
Bad Debt Relief * RM 0.00

18) Hutang Lupa Dibayar Balik *
Bad Debt Recovered * RM 0.00

19) Pecahan Nilai Cukai Output mengikut Kod Industri Utama
Breakdown Value of Output Tax in accordance with the Major Industries Code

Kod (Code)	Nilai Cukai Output (Value of Output Tax)	Peratusan (Percentage)
RM	0.00	0 %
RM	0.00	0 %
RM	0.00	0 %
RM	0.00	0 %
RM	0.00	0 %
RM	0.00	0 %
RM	40.00	100 %
Jumlah / TOTAL	RM 40.00	100 %

BAHAGIAN D: AKUAN
PART D: DECLARATION

Saya dengan ini mengikut bahawa maklumat dinyatakan dalam borang ini adalah benar, betul dan lengkap.
I, hereby declare that the information stated in this form are true, correct and complete.

20) Nama Orang Berkuasa *
Name of Authorized Person * ASDF

21) No. Kad Pengesahan Identiti Card No. 730 98-98-9902

22) No. Pasport *
Passport No. *
Wajib untuk warga negara asing (Mandatory for foreign citizens)

23) Kementerian / Authority

24) Tarikh / Date

25) Tandatangan / Signature

UNTUK KEGUNAAN PEJABAT (FOR OFFICE USE ONLY)

Tarikh Diterima (Received Date) * 29-May-2013

GST DIVISION
ROYAL MALAYSIAN CUSTOMS DEPARTMENT



FILLING OF GST RETURN

GST



JABATAN KASTAM DIRAJA MALAYSIA
ROYAL MALAYSIA CUSTOMS DEPARTMENT

GST - 03

PENYATA CUKAI BARANG DAN PERKHIDMATAN GOODS AND SERVICES TAX RETURN

Nota Penting (Important Notes)

- 1) Sila isikan borang ini dengan **HURUF BESAR** dan menggunakan pen mata bulat berdaya hitam.
*Please fill in this form in **BLOCK LETTERS** using black ink ball-point pen.*
- 2) Sila rujuk Buku Panduan Mengisi Borang Cukai Barang dan Perkhidmatan (CBP).
Please refer to Goods and Services Tax (GST) Forms Guide.
- 3) Ruangan yang bertanda (*) adalah wajib diisi.
Column with () is a mandatory field.*
- 4) Sila tandakan (X) dalam petak yang berkenaan.
Please tick (X) accordingly.
- 5) Sekiranya mengikrarkan nilai sifar, sila isi angka "0".
If declaring a zero amount, please fill in "0".
- 6) Sila hubungi Pusat Panggilan Kastam di talian 1-300-88-8500 / 03-78067200 atau emel ccc@customs.gov.my untuk pertanyaan lanjut.
Please contact Customs CallCenter at 1-300-88-8500 / 03-78067200 or email ccc@customs.gov.my for further enquiry.

Pihak
Arahan

BAHAGIAN A : BUTIRAN ORANG BERDAFTAR PART A : REGISTERED PERSON DETAILS

1) No. CBP * GST No. *	10001/2015
2) Nama Perniagaan * Name of Business *	ABC SDN BHD

BAHAGIAN B : BUTIRAN PENYATA PART B : RETURN DETAILS

3) Tempoh Bercukai * Taxable Period *	Tarikh Mula Start Date	01-01-2014 HH (DD) - SS (MM) - TTTT (YYYY)
	Tarikh Akhir End Date	31-01-2014 HH (DD) - SS (MM) - TTTT (YYYY)
4) Tarikh Akhir Sorahan Penyata dan Bayaran * Return and Payment Due Date *		28-02-2014 HH (DD) - SS (MM) - TTTT (YYYY)

ROYAL MALAYSIAN CUSTOMS DEPARTMENT

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FILLING OF GST RETURN

GST

5) Cukai Output Output Tax	Amaun (Amount)	
a) Jumlah Nilai Pembekatan Berkadar Standard * Total Value of Standard Rated Supply	RM	143,282.28
b) Jumlah Cukai Output (Termasuk Hutang Lapuk Dibayar Balik dan Pelarasan lain) * Total Output Tax (Inclusive of Bad Debt Recovered & other Adjustments) *	RM	10,625.20

		No. CBP * GST No. *
		10001/2015
6) Cukai Input (Input Tax)	Amaun (Amount)	
a) Jumlah Nilai Perolehan Berkadar Standard * Total Value of Standard Rated Acquisition	RM	33,933.76
b) Jumlah Cukai Input (Termasuk Hutang Lapuk dan Pelarasan lain) * Total Input Tax (Inclusive of Bad Debt Relief & other Adjustments) *	RM	5,894.97
7) Amaun CBP Kena Dibayar (Butiran 5b - Butiran 6b) * GST Amount Payable (Item 5b - Item 6b) *	RM	4,730.23
ATAU / OR		
8) Amaun CBP Boleh Dituntut (Butiran 6b - Butiran 5b) * GST Amount Claimable (Item 6b - Item 5b) *	RM	0.00
9) Adakah anda memilih untuk membawa ke hadapan pembayaran balik CBP? Do you choose to carry forward refund for GST?	<input type="checkbox"/> Ya Yes	<input checked="" type="checkbox"/> Tidak No

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FILLING OF GST RETURN

GST

Sample of GST Return

▪ Calculation of output tax	RM 143,282.28	5a
• Value of taxable supplies made		
• Output tax	RM 10,625.20	5b
▪ Calculation of input tax	RM 33,933.76	6a
• Value of taxable supplies received		
• Input tax	RM 5,894.97	6b
▪ Net tax payable/refundable	RM 4,730.20	7
• GST payable (5b – 6b)		
• GST refundable (6b– 5b)		8

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FILLING OF GST RETURN

GST

BAHAGIAN C : MAKLUMAT TAMBAHAN PART C : ADDITIONAL INFORMATION

Amaun (Amount)

10) Jumlah Nilai Pembekalan Tempatan Berkadar Sifar * <i>Total Value of Local Zero-Rated Supplies *</i>	RM	2,997.50
11) Jumlah Nilai Pembekalan Eksport * <i>Total Value of Export Supplies *</i>	RM	5,157.48
12) Jumlah Nilai Pembekalan Dikecualikan * <i>Total Value of Exempt Supplies *</i>	RM	1,054.63
13) Jumlah Nilai Pembekalan Diberi Pelepasan CBP * <i>Total Value of Supplies Granted GST Relief *</i>	RM	1,835.00
14) Jumlah Nilai Pengimportan Barang Dibawah Skim Pedagang Diluluskan * <i>Total Value of Goods Imported Under Approved Trader Scheme *</i>	RM	4,146.01
15) Jumlah Nilai CBP Import Digantung dibawah butiran 14 * <i>Total Value of GST Suspended under item 14 *</i>	RM	333.00
16) Jumlah Nilai Perolehan Harta Modal * <i>Total Value of Capital Goods Acquired *</i>	RM	1,154.65
17) Pelepasan Hutang Lapuk * <i>Bad Debt Relief *</i>	RM	50.00
18) Hutang Lapuk Dibayar Balik * <i>Bad Debt Recovered *</i>	RM	200.00

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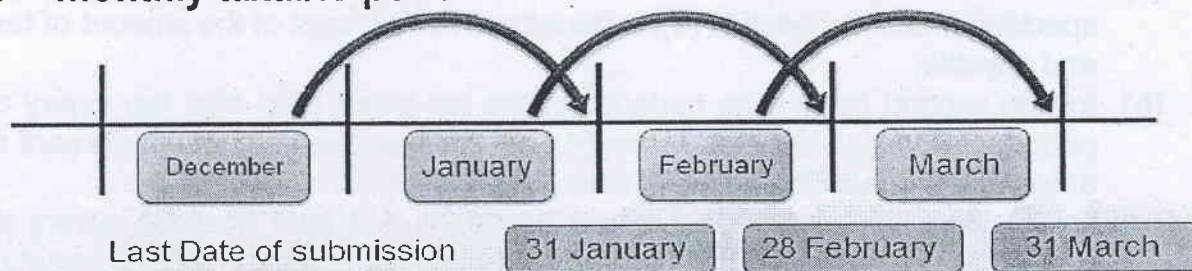
When to Submit GST Return?

- Normal period - not later than the last day of the month following after the end of his taxable period
- Other period as approved by DG - Not later than the last day of the 30 days from the end of the varied taxable period.
- Electronic filing is encouraged

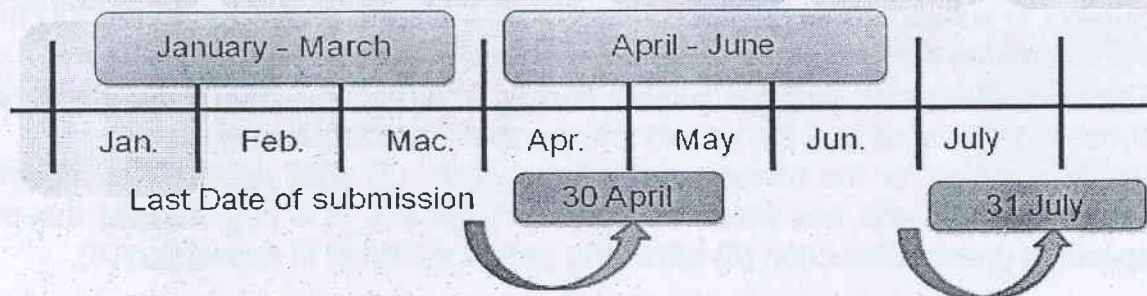
Filing of GST Returns

When to submit GST Return

➤ **monthly taxable period**



➤ **quarterly taxable period**





Last day for filing return and pay tax

- last day of the month following the taxable period
 - ✓ if last day is a holiday
 - the following working day

Auto assessment of tax

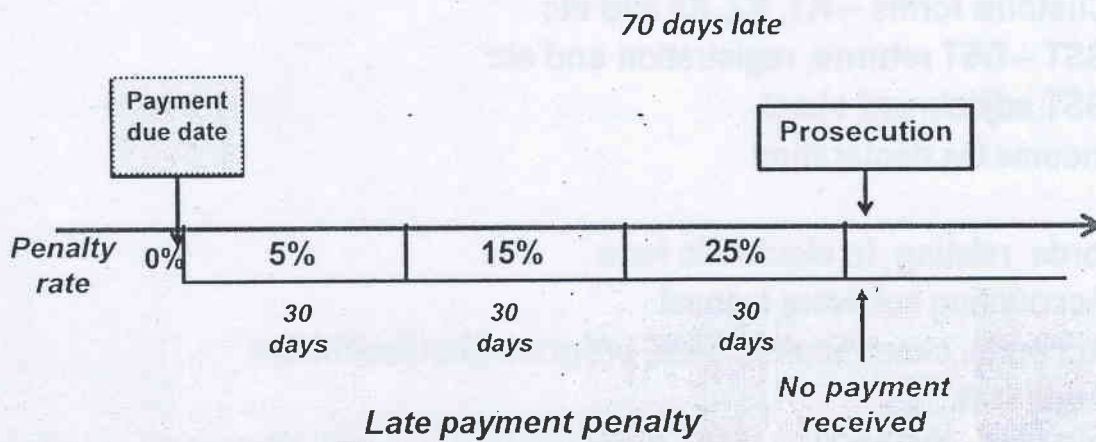
- Section 43 (1) DG may assess to the best of his judgement the amount of tax due and the penalty
 - ✓ fail to apply for registration
 - ✓ **fails to furnish a return**
 - ✓ furnishes a incomplete or incorrect return
- DG shall the notify the assessment in writing to the taxable person



Section 41

- (8) Where any tax due and payable is not paid by any taxable person after the last day on which it is due and payable under subsection (4) and no prosecution is instituted, the taxable person shall pay—
- (a) for the first thirty days period that the tax is not paid after the expiry of the period specified under subsection (4), a penalty of five percent of the amount of tax due and payable;
 - (b) for the second thirty days period that the tax is not paid after the expiry of the period specified under subsection (4), an additional penalty of ten percent of the amount of tax due and payable; and
 - (c) for the third thirty days period that the tax is not paid after the expiry of the period specified under subsection (4), an additional penalty of ten percent of the amount of tax due and payable, subject to a maximum penalty of twenty-five percent of the amount of tax due and payable.
- (9) Subject to subsection (11), prosecution for the offence under subsection (7) may be instituted after the expiry of the period specified in paragraph (8)(c).
- (10) The court may order that any taxable person who is convicted for the offence under subsection (7) shall pay the penalty as specified in subsection (8).
- (11) No prosecution for the offence under subsection (7) shall be instituted against the taxable person who has paid the amount of tax due and payable and the penalty specified under subsection (8) within the period specified in subsection (8).

Section 41



Is the rate of penalty stop when taxable person apply for remission under sec. 62(3)?



RECORD KEEPING

- Records relating to registration
 - ✓ SSM records – Form A, B, C, 8,9 and etc.

- Records relating business activities
 - ✓ tax invoices, invoices, receipts,
 - ✓ debit note, credit note
 - ✓ delivery order, purchase order
 - ✓ Bank slip, bank statement, voucher and etc.
 - ✓ Contract, agreement

- Records relating to accounting (hard copy)
 - ✓ Financial statement – Profit & Loss, Balance Sheet, Trial Balance
 - ✓ Account payable, account receivable, General ledger, Sales, Purchase , stock, cash and etc.



- Records relating to taxation
 - ✓ Customs forms – K1, K2, K9 and etc
 - ✓ GST – GST returns, registration and etc
 - ✓ GST adjustment sheet
 - ✓ Income tax declaration

- Records relating to electronic form
 - ✓ Accounting software manual
 - ✓ Accounts chart, access code, program documentation
 - ✓ Audit trail
 - ✓ Purchase, Sales, GL Listing (e.g standard, exempt, disregard, out of scope, deemed supply etc)
 - ✓ GAF File (GST Accounting Software)
 - ✓ Management Information Report (MIS) report
 - ✓ Other data / records keep in accounting / business software

GST ISSUES



- price shall include the tax that is chargeable on the supply unless the Director General approves otherwise
- Director General may exempt the registered person from displaying, advertising, publishing or quoting in any manner the price inclusive of tax which is chargeable on the supply of goods or services
- where an approval has been granted, the registered person shall display, advertise, publish or quote the price exclusive of tax with the words "Price payable is exclusive of GST".

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No subject to gst

subject to GST.



Director General's Decision : 5/2015 (30.4.2015)

ITEM 6: Disbursement and reimbursement

What is the GST treatment for disbursement and reimbursement.

(1) Recovery of expenses may be treated as disbursement or reimbursement and this will depend on whether the expenses are incurred by a principal or an agent acting on behalf of a client.

(2) GST treatment on disbursement and reimbursement are as follows –

Disbursement

Not a supply

Not entitled for input tax claim

Reimbursement

Is a supply

Entitled for input tax claim

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ROYAL MALAYSIAN CUSTOMS DEPARTMENT

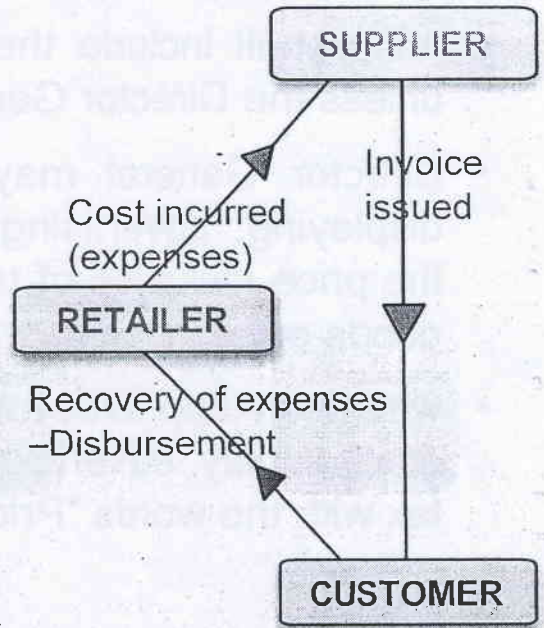
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DISBURSEMENT & REIMBURSEMENT

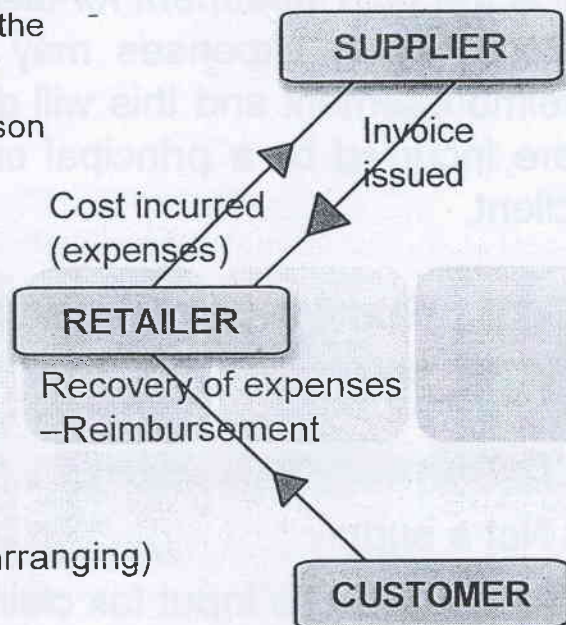
(3) Recovery of expenses is a disbursement for GST purposes, a registered person must fulfilled all the following criteria, -(Subst. w.e.f. 6/6/2016)

- (i) Incur expenses as an agent acting on behalf of the client.
- (ii) The client is the recipient of the supply (invoice is in the client's name)
- (iii) The client is the person responsible to pay for the supply
- (iv) The payment is authorised by the client.
- (v) The client knew that the supply is made by a third party.
- (vi) The exact amount is claimed from the client and the agent has no right to alter or add on the value of the supply.
- (vii) The payment is clearly an additional to the supply made to the client.

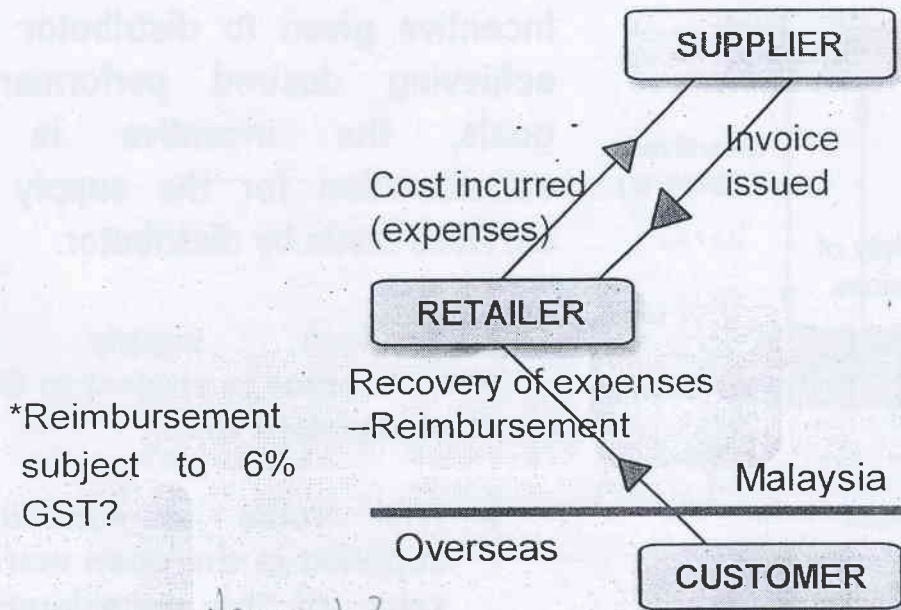


DISBURSEMENT & REIMBURSEMENT

- (i) Incur expenses as a principal.
- (ii) The client (customer) is the recipient of the supply (invoice is not in the customer's name)
- (iii) The principal (retailer) is the person responsible to pay for the supply



*Reimbursement - a consideration for a supply (arranging)



*Reimbursement subject to 6% GST?

*Item 12
zero rated order*

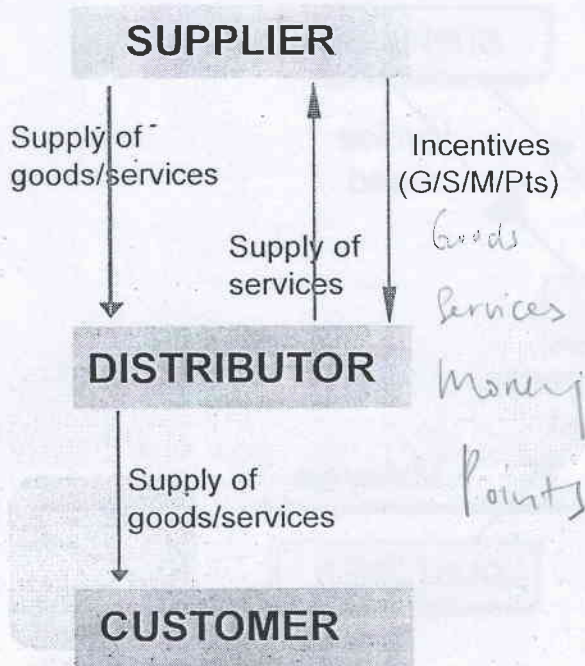


Agent Acting in his Own Name

- Supply is treated as normal supply by agent
- Input tax can be claimed by the agent
- Agent to account for output tax

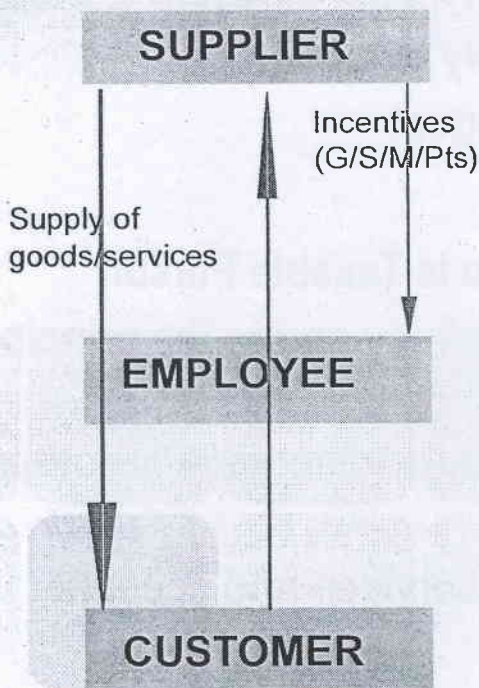
Agent Acting on Behalf of Principal Who is Taxable Person

- Supply shall be deemed to be made by and to the principal and not by the agent
- Principal allowed to claim input tax and account for output tax
- Agent can claim input tax on his services and account output tax on his commission



Incentive given to distributor for achieving desired performance goals, the incentive is a consideration for the supply of services made by distributor.

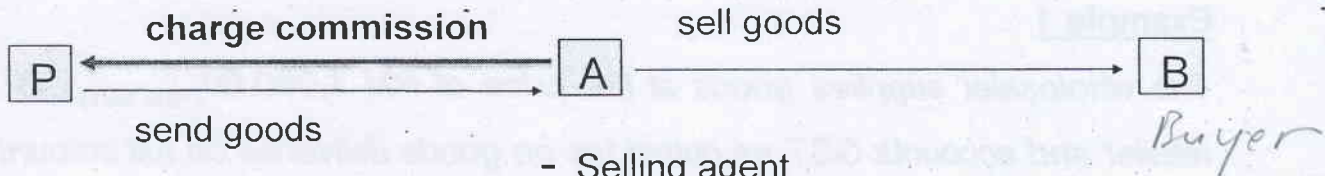
- Services supply by distributor is subject to GST at standard rate.
- The value of services supplied is the open market value of the consideration (incentive given)



Incentive given to employee for achieving desired performance goals. If the incentive is in the form of:

- For goods, the GST treatment is subject to give rule. The incentive is a deemed supply made by supplier
- For services, money or points is not a supply

Tax Invoices Issued by Agents (selling agent) on behalf of a principal



- Seller
- Registered person
- Liable to account tax
- Selling agent
- Registered person
- Issue tax invoice to buyer with principal's (seller's) details
- Issue tax invoice to principal (seller) to claim commission
- Liable to account tax on commission

MARKETING CAMPAIGN – DISCOUNTS

Price Discount

Example: Supply of shirt at discounted price.

Price_(+6% GST) of shirt :RM106.00

10% Discount offered :(RM10.60)

(10% X RM 106.00)

Price_(+6% GST) of shirt after discount :RM 95.40

6% GST inclusive :**RM 5.40**

(RM95.40 X 6%/106%)



• **Prompt payment discount**

issue CN bec change of consideration

normally given to encourage customers to pay early even though one month or two months credit term is given

Example 1

The wholesaler supplies goods at the price of RM 1,060.00_(+6% GST) to the retailer and accounts GST as output tax on goods delivered on full amount as stated in the tax invoice. Payment terms are as follow:

- Payment made within 30 days - 10% discount
- Payment made within 60 days - 3% discount

The retailer then pays within the 30 day period and therefore is entitled to a 10% discount.



Price_(+6% GST) of goods : RM1060.00

6% GST inclusive : RM 60.00
(RM1,060.00 X 6%/106%)

Discount 10% (10% X RM 1060.00) : (RM106.00)

Price_(+6% GST) of shirt after discount : RM 954.00

6% GST inclusive : (RM 54.00)
(RM954.00 X 6%/106%)

GST difference : **RM 6.00**

Wholesaler issues a credit note and makes adjustment.



Volume discount

Example 1:

If a retailer purchases more than 150 units of goods from the wholesaler in a single purchase, he is entitled to a 10% discount for the purchase. The retailer purchased 200 units of goods.

Price _(+6% GST) per unit before discount	:	RM106.00
Number of units purchased	:	200 units
Total Price _(+6% GST)	:	RM21,200.00
10% Volume discount	:	(RM 2,120.00)
Total value after discount	:	RM19,080.00
6% GST inclusive (RM19,080.00 X 6%/106%)	:	(RM 1,080.00)

The wholesaler accounts for output tax amounting to RM1,080.00



Example 2:

In this example, a retailer is entitled to a 10% volume discount if he purchases more than 1,500 units of goods in a month.

Price _(+6% GST) before discount	:	RM106.00 per/ unit
Number of units supplied	:	2,500 units per month
Supplies	:	1 st - 500 units
		2 nd - 600 units
		3 rd - 100 units
		4 th - 500 units
		5 th - 800 units



MARKETING CAMPAIGN – DISCOUNTS

GST

Fourth supply :

Price _(+6% GST) before discount (500 X RM106.00/unit)	:	RM53,000.00
Less 10% discount	:	<u>(RM 5,300.00)</u>
Price _(+6% GST) after discount	:	RM47,700.00
6% GST inclusive (RM47, 700.00 X 6%/106%)	:	<u>RM2,700.00</u>

The wholesaler accounts for output tax amounting to RM2,700.00

Fifth supply :

Price _(+6% GST) before discount (800 X RM106.00/unit)	:	RM84,800.00
Less 10% discount	:	<u>(RM 8,480.00)</u>
Price _(+6% GST) after discount	:	RM76,320.00
6% GST inclusive (RM76,320.00 X 6%/106%)	:	<u>RM4,320.00</u>

The wholesaler accounts for output tax amounting to RM4,320.00

GST DIVISION
ROYAL MALAYSIAN CUSTOMS DEPARTMENT

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MARKETING CAMPAIGN – DISCOUNTS

GST

Adjustment

First supply :

Price _(+6% GST) before discount (500 X RM106.00/unit)	:	RM53,000.00
6% GST inclusive (RM53, 000.00 X 6%/106%)	:	RM 3,000.00
Less 10% discount	:	<u>(RM 5,300.00)</u>
Price _(+6% GST) after discount	:	RM47,700.00
6% GST inclusive (RM47, 700.00 X 6%/106%)	:	<u>(RM2,700.00)</u>
GST difference	:	RM 300.00

Wholesaler issues a credit note and makes adjustment.

GST DIVISION
ROYAL MALAYSIAN CUSTOMS DEPARTMENT

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Adjustment

Second supply :

Price_(+6% GST) before discount : RM63,600.00
(600 X RM106.00/unit)

6% GST inclusive : RM 3,600.00
(RM63,600.00 X 6%/106%)

Less 10% discount : (RM 6,360.00)

Price_(+6% GST) after discount : RM57,240.00

6% GST inclusive : (RM3,240.00)
(RM56,160.00 X 6%/106%)

GST difference (input tax) : **RM 360.00**

Wholesaler issues a credit note and makes adjustment.



Adjustment

Third supply :

Price_(+6% GST) before discount : RM10,600.00
(100 X RM106.00/unit)

6% GST inclusive : RM 600.00
(RM10,600.00 X 6%/106%)

Less 10% discount : (RM 1,060.00)

Price_(+6% GST) after discount : RM9,540.00

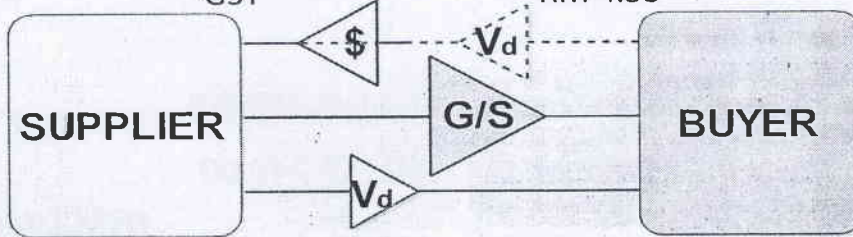
6% GST inclusive : (RM 540.00)
(RM9,540.00 X 6%/106%)

GST difference : **RM 60.00**

Wholesaler issues a credit note and makes adjustment.

Discount voucher from the supplier

Price of G/S = RM100.00
 Discount = RM 20.00
 Total consideration = RM 80.00
 GST = RM 4.53



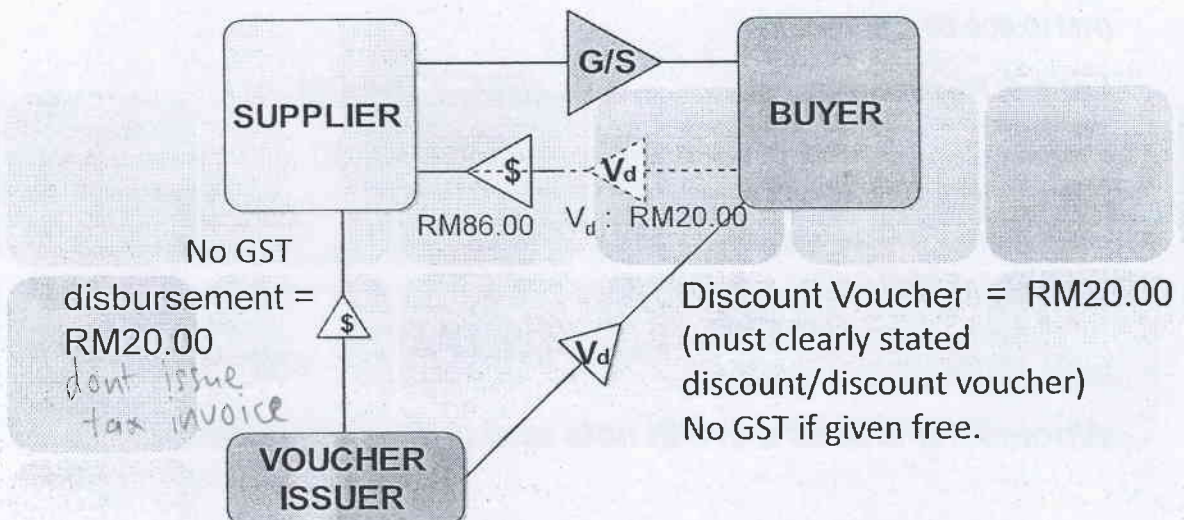
Discount Voucher = RM20.00
 (must clearly stated discount/discount voucher)

No GST if given free.

Discount voucher is diff from monetary voucher

Discount from the third party

Paid by customer = RM 86.00
 Third party Discount Voucher = RM 20.00
 Total consideration = RM106.00
 GST = RM 6.00





Discount voucher from the third party

ITEM	UNIT PRICE	QTY	GST	SUB TOTAL	IND.	
Goods I	RM100.00 *	1	RM6.00	RM106.00	SR	
Sub-Total				RM150.00	RM9.00	RM106.00
To be paid by third party (Discount Voucher)					(RM20.00)	
Total payable					RM86.00	
Tender:						
Cash:					(RM86.00)	
Change:					RM0.00	
GST Analysis		Goods	Tax Amount			
SR = 6%	6%	RM100.00	RM6.00			
ZR = 0%	0%	RM0.00	RM0.00			



Types of voucher:

- **monetary voucher** (can be a vouchers, stamps, points or credit (prepaid))
 - ✓ Has the face value or assigned value
 - ✓ Can redeem any goods or services
- **Non-monetary voucher**
 - ✓ Can redeem a specified goods or services only.



GST Treatment on monetary voucher:

- sells a monetary voucher –
 - ✓ For a consideration up to the face value (consideration is disregarded) - No GST
 - ✓ For a consideration exceeded the face value - GST on excess amount
- distributes free a monetary voucher
 - ✓ not a supply - no GST

Free non monetary voucher for services = no gst



GST Treatment on monetary voucher:

- redeems a monetary voucher
 - GST has to be accounted according to the supply:
 - Standard rate supply - account for output tax
 - Zero rate supply - no GST
 - Exempt supply - no GST



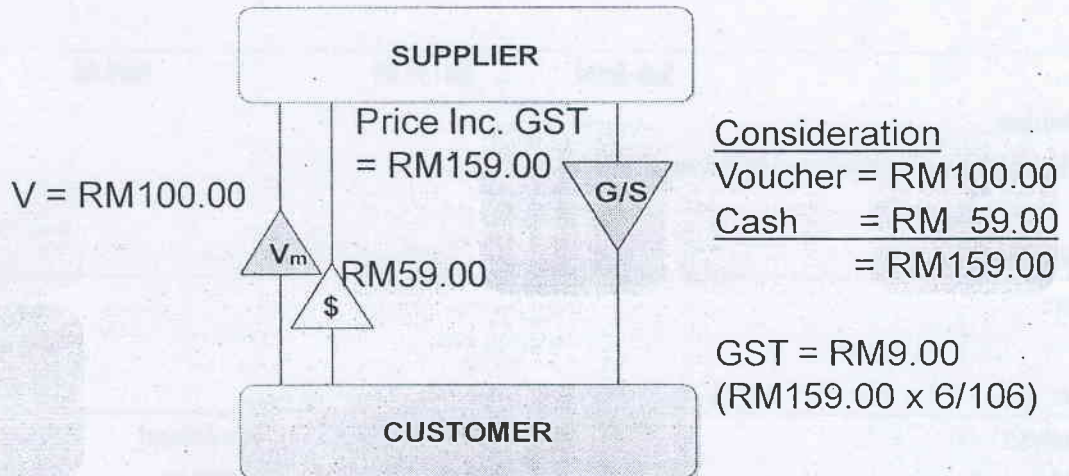
Redeem goods/services partly in cash voucher and partly in money;

- Total consideration = cash + voucher



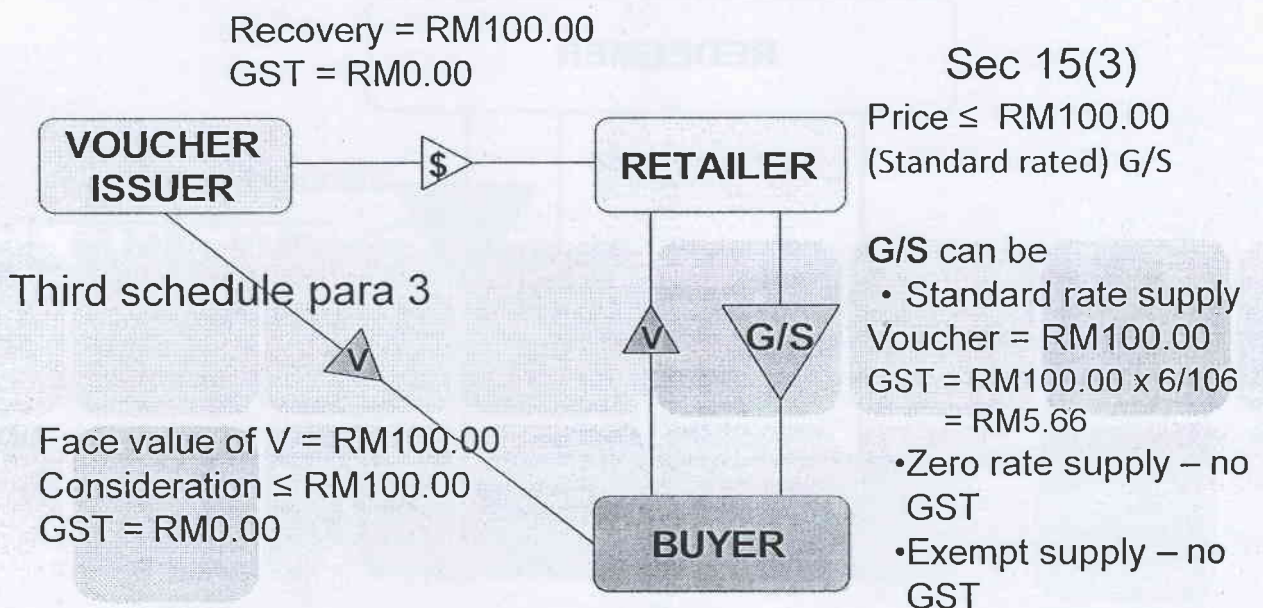
Monetary voucher - redeem

Example:



Monetary voucher - supply and redeem

Example:





MARKETING CAMPAIGN – VOUCHERS

GST

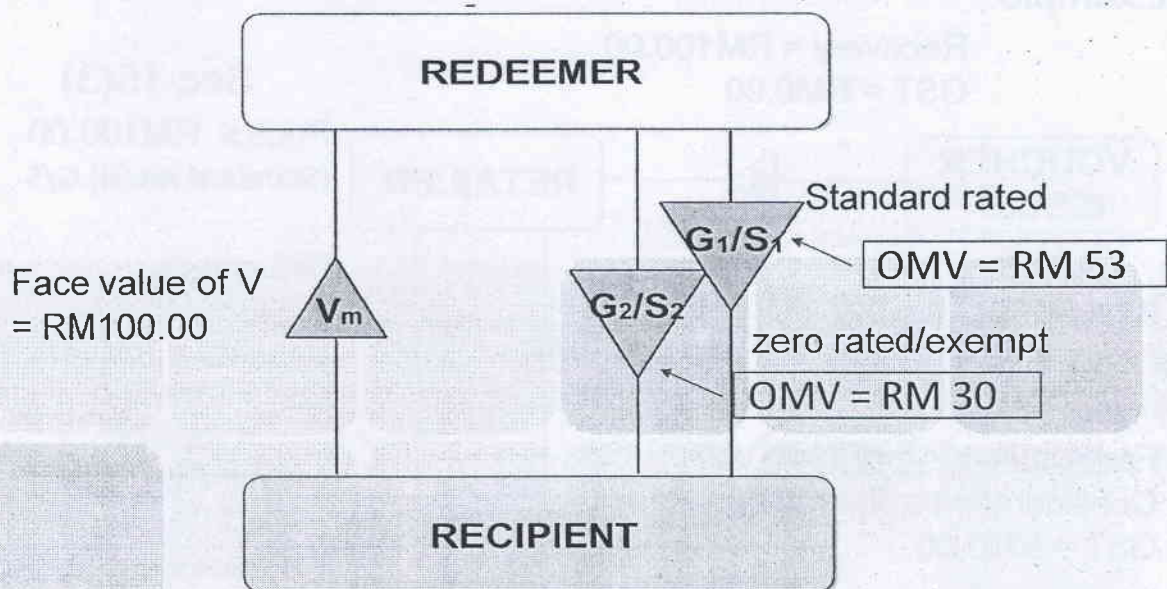
ITEM	UNIT PRICE	QTY	GST	SUB TOTAL	IND.	
Goods 1	RM100.00 *	1	RM6.00	RM106.00	SR	
Goods 2	RM50.00 *	1	RM3.00	RM53.00	SR	
Sub-Total				RM150.00	RM9.00	RM159.00
Cash Voucher				(RM100.00)		
Non refundable amount attributed to the supplies:				RM0.00	SR	
				RM0.00	ZR	
Total payable				RM59.00		
Tender:						
Cash:				(RM59.00)		
Change:				RM0.00		
GST Analysis		Goods	Tax Amount			
SR = 6%	6%	RM150.00	RM9.00			
ZR = 0%	0%	RM0.00	RM0.00			



MARKETING CAMPAIGN – VOUCHERS

GST

Exercise:





MARKETING CAMPAIGN – VOUCHERS



ITEM	UNIT PRICE	QTY	GST	SUB TOTAL	IND.	
Goods 1	RM50.00 *	1	RM3.00	RM53.00	SR	
Goods 2	RM30.00 *	1	RM0.00	RM30.00	ZR	
Sub-Total				RM80.00	RM3.00	RM83.00
Cash Voucher						(RM100.00)
Non refundable amount attributed to the supplies:						RM10.86 SR
						RM6.14 ZR
Total payable						RM0.00
Tender:						
Cash:						RM0.00
Change:						RM0.00
GST Analysis		Goods	Tax Amount			
SR = 6%	6%	RM60.24	RM3.61			
ZR = 0%	0%	RM36.14	RM0.00			

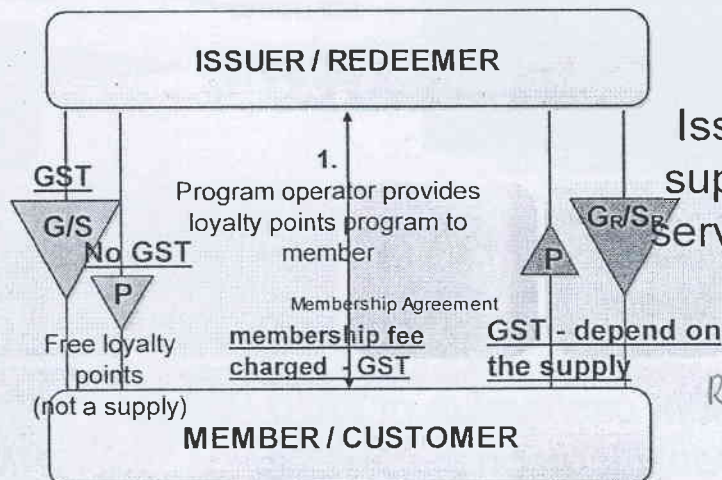


MARKETING CAMPAIGN – VOUCHERS



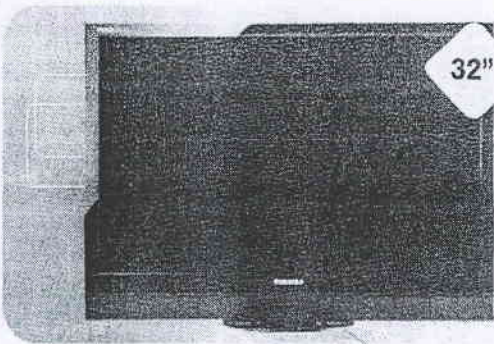
LOYALTY POINT PROGRAM ARRANGEMENT

2. Issuer supplies goods or services, 'G/S' to member & allocates loyalty points, 'P' to member.



3. Issuer/redeemer supplies goods or services, 'G_R/S_R' to member

R = redeem



32"

TOSHIBA 32HV10E
LCD TV
 RCP : RM799

500PTS **RM649**

Equivalent cash for the amount of consideration

Amount of consideration

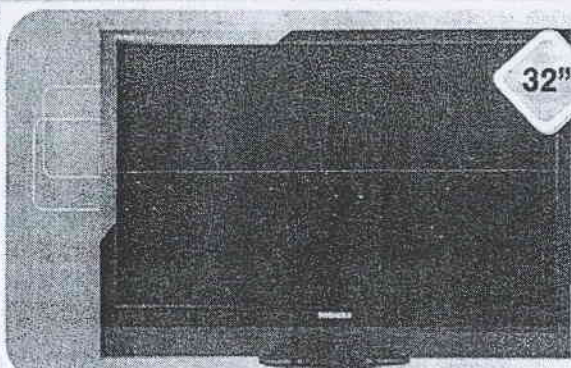
Redeemer

RCP (+6% GST) of LCD TV: RM799.00

Consideration

Cash	:	RM 649.00
Equivalent cash value of 500 Points	:	<u>RM 150.00</u>
Total Consideration	:	RM 799.00
6% GST inclusive	:	RM 45.23
(RM799.00 X 6%/106%)		

The supplier accounts for output tax amounting to **RM45.23**



32"

TOSHIBA 32HV10F
LCD TV
 RCP : RM799

2670 PTS

Equivalent cash for the amount of consideration

Amount of consideration

Redeemer

RCP (+6% GST) of LCD TV: RM799.00

Consideration

Cash	:	RM 0.00
Equivalent cash value of 2670 Points	:	<u>RM 799.00</u>
Total Consideration	:	RM 799.00
6% GST inclusive	:	RM 45.23
(RM799.00 X 6%/106%)		

The supplier accounts for output tax amounting to **RM45.23**