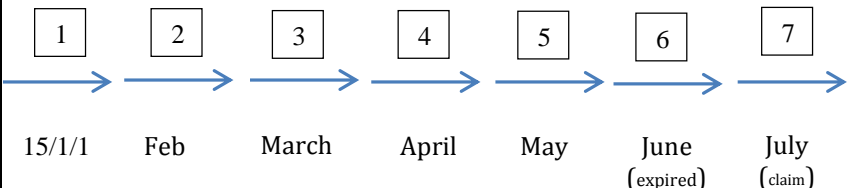


SUMMARY LIST OF AMENDMENTS TO DG'S DECISION

NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT
1.	Item 3, 1/2014 Claiming bad debt relief	(ii) The bad debt relief must be claimed immediately after the expiry of sixth months from the date of supply. (iii) If the bad debt relief is not claimed immediately after the expiry of sixth month, then the taxable person must apply in writing for Director General's (DG) approval on his intention to claim at a such later date	<p><i>(wef 23/10/2015)</i></p> (ii) 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 (iii) The bad debt relief shall be claimed immediately in the taxable period after the expiry of the sixth month from the date of supply; <p><i>(Amended on 23/3/2015)</i></p> (iii) 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. <p><i>(wef 28/10/2015)</i></p> Renumbered as (iv) <p><i>(wef 28/10/2015)</i></p> (v) A GST registered person who has made the input tax claim but fails to pay his supplier within six months from the date of supply shall account for output tax

SUMMARY LIST OF AMENDMENTS TO DG'S DECISION

NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT
			immediately after the expiry of the sixth month (s.38(9) GSTA)
		<p>(iii) The word 'month' in sec.58 refers to calendar month or complete month –</p> <p>Example: Invoice issued on 15th January 2017. For monthly taxable period, the sixth month expires at the end of June and the bad debt relief shall be claimed in July taxable period.</p>	<p><i>(wef 28/10/2015)</i></p> <p>(vi) The word 'month' in sec.58 refers to calendar month or complete month –</p> <p>Example: Invoice issued at 15th January 2017. For monthly taxable period, the sixth month expires at the end of June and the bad debt relief shall be claimed in July taxable period.</p>  <p style="text-align: center;"> 1 2 3 4 5 6 7 </p> <p style="text-align: center;"> → → → → → → → </p> <p style="text-align: center;"> 15/1/1 Feb March April May June (expired) July (claim) </p>
2.	<p>Item 5(i), 1/2014 GST treatment on drop shipment</p> <p>Local company X</p>	<p>The supply made by the local company X to the local company B is an out of scope supply if –</p>	<p><i>(Deleted July 2015. Please refer to DG's Decision 4/2015)</i></p>

SUMMARY LIST OF AMENDMENTS TO DG'S DECISION

NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT
	<p>purchases goods from overseas supplier and later sold the goods to local customer B and issue an invoice (local invoice). The local company X requests the overseas supplier to deliver the goods direct to his local customer B. Whether the supply by the local company X to the local company B subject to GST?</p>	<p>(a) there is proof that the transfer of ownership of the goods took place outside Malaysia and before the goods are imported into Malaysia (through shipping document); and</p> <p>(b) the import declaration was in the name of the local company B and the value of the imported goods was based on the local invoice.</p>	

SUMMARY LIST OF AMENDMENTS TO DG'S DECISION

NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT
3.	<p>Item 5 (ii), 1/2014 GST treatment on drop shipment</p> <p>Local company X purchases goods from a local manufacturer M and request the local manufacturer M to export the goods to his overseas customer.</p> <p>Whether the supply by the local manufacturer M to the local company X subject to GST?</p>	<p>(i) The supply made by the local manufacturer M to the local company X is a standard rated supply, because the transfer of ownership of the goods took place in Malaysia;</p> <p>(ii) The supply made by the local company X to his overseas client can be zero rated if the export declaration was in the name of the local company X.</p>	<p><i>(Deleted July 2015. Please refer to DG's Decision 4/2015)</i></p>

SUMMARY LIST OF AMENDMENTS TO DG'S DECISION

NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT
4.	Item 6, 1/2014 Foreign exchange	<p>(i) Paragraph 5 of 3rd Schedule of the GSTA requires business to convert the foreign exchange into ringgit –</p> <p>(a) In the case of a supply, at the selling rate of exchange prevailing in Malaysia at the time the supply takes place; or</p> <p>(b) In the case of importation of goods, at the rate of exchange determined by DG at the time applicable for the calculation of customs duty or excise duty and valuation.</p> <p>(ii) Therefore, for imported goods, irrespective whether the importer is GST registered or not, he must use the exchange rate determined by the DG;</p> <p>(iii) In the case of local supply –</p> <p>(a) The businesses may use any of the following exchange rates published by –</p> <p>I. BNM;</p> <p>II. any commercial banks in Malaysia or any other banks registered under BNM;</p> <p>III. news agencies e.g. Bloomberg, Reuters, Oanda;</p> <p>IV. foreign central banks e.g. European Central Bank and Federal Reserve Bank of New York.</p>	<p><i>(Amended 19/12/2014)</i></p> <p>(i) Paragraph 5 of 3rd Schedule of the GSTA requires business to convert the foreign exchange into ringgit –</p> <p>(a) In the case of a supply or imported services, at the selling rate of exchange prevailing in Malaysia at the time the supply takes place; or</p> <p><i>(Substitute with new item 23/3/2015)</i></p> <p>(i) Paragraph 5 of 3rd Schedule of the GSTA requires business to convert the foreign exchange into ringgit –</p> <p>(a) In the case of a supply including imported services, at the selling rate of exchange prevailing in Malaysia at the time the supply takes place; or</p> <p>(b) In the case of importation of goods, at the rate of exchange determined by DG at the time applicable for the calculation of customs duty or excise duty and valuation. Therefore, for imported goods, irrespective whether the importer is GST registered or not, he must use the exchange rate determined by the DG;</p> <p>(ii) In the case of local supply including imported services or export of goods, where the supplier and the buyer are both making wholly taxable supplies and both are businesses registered for GST –</p>

SUMMARY LIST OF AMENDMENTS TO DG'S DECISION

NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT
		<p>(b) The exchange rate must be –</p> <ol style="list-style-type: none"> I. the prevailing exchange rate (selling rate) corresponding to the time of supply; II. consistently used for internal business reporting and accounting purposes; and III. used consistently for at least one year from the end of the accounting period in which the method first used. <p>(c) If a GST registered person wants to use an exchange rate other than the rates as in subparagraph III (a) above, he must apply in writing to the Director General for his approval.</p>	<p>(a) the businesses may use any of the following exchange rates published by –</p> <ol style="list-style-type: none"> (aa) Bank Negara Malaysia (BNM) ; (bb) any commercial banks in Malaysia or any other banks registered under BNM; (cc) news agencies e.g. Bloomberg, Reuters, Oanda, ASWJ, XE, Strikeiron; (dd) any foreign central banks e.g. European Central Bank and Federal Reserve Bank of New York, Korean Exchange Bank. <p>(b) The exchange rate from any of the published rates in sub paragraph (ii) (a) above must be –</p> <ol style="list-style-type: none"> (aa) the prevailing exchange rate (selling rate) corresponding to the time of supply; (bb) the monthly average rate of the previous month corresponding to the time of supply; (cc) the month-end average rate corresponding to the time of supply; (dd) the month end selling rate corresponding to the time of supply; (ee) the opening selling rate of the month corresponding to the time of supply; (ff) the average rate of the highest rate plus (+) the lowest rate of the previous month corresponding to the time of supply; or

SUMMARY LIST OF AMENDMENTS TO DG'S DECISION

NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT											
			<p>(gg) the hedged exchange rate with banks corresponding to the time of supply;</p> <p>(c) The exchange rate as in sub paragraph (ii) (a) and (b) must be used consistently for internal business reporting and accounting purposes and used for at least one year from the end of the accounting period in which the method was first used.</p> <p>(d) If a GST registered person wants to use an exchange rate other than the rates as in sub paragraph (ii) (a) and (b) above, he must apply in writing to the Director General for his approval.</p>											
5.	Item 8, 1/2014 GST treatment on Office holders/ directors' fees	Additional	<table border="1"> <thead> <tr> <th data-bbox="1199 857 1283 995">No.</th> <th data-bbox="1283 857 1738 995">Type</th> <th data-bbox="1738 857 1892 995">Subject to GST</th> <th data-bbox="1892 857 2024 995">Not Subject to GST</th> </tr> </thead> <tbody> <tr> <td data-bbox="1199 995 1283 1349">1.</td> <td data-bbox="1283 995 1738 1349">A person appointed as a director - a. in his personal capacity (including government pensioner) b. on his expertise (example tax consultant, medical specialists, economists, accountants, including management of the company but hold positions in</td> <td data-bbox="1738 995 1892 1349" style="text-align: center;">√</td> <td data-bbox="1892 995 2024 1349"></td> </tr> </tbody> </table>				No.	Type	Subject to GST	Not Subject to GST	1.	A person appointed as a director - a. in his personal capacity (including government pensioner) b. on his expertise (example tax consultant, medical specialists, economists, accountants, including management of the company but hold positions in	√	
No.	Type	Subject to GST	Not Subject to GST											
1.	A person appointed as a director - a. in his personal capacity (including government pensioner) b. on his expertise (example tax consultant, medical specialists, economists, accountants, including management of the company but hold positions in	√												

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NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT			
				<p>companies that are not subsidiaries/subsidiary)</p> <p>c. on his personality (example politician or NGO)</p>		
			2.	<p>A person is appointed as a director on the capacity of his post (contract of services) -</p> <p>a. civil servants, on office he held</p> <p>b. company's manager, due to his positions he held and became director in subsidiary or subsidiaries. Those who serve on a contract for services, but appointed on the capacity of the office he held and not under his personal capacity.</p>		√
			3.	<p>A chartered accountant in a listed company is appointed as a director. He also is an expert and qualified person and has his own businesses or hold positions in other companies.</p>	√	

SUMMARY LIST OF AMENDMENTS TO DG'S DECISION

NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT			
			4.	Members of hospitals visitors' board or members of Syariah Advisor which is not under the personal capacity.		√