

**GST FREQUENTLY ASKED ISSUES**

**ITEM 7:  
Agent and foreign Principal**

*A foreign company making taxable supply in Malaysia has to appoint an agent to act on his behalf. The registration of a foreign principal will be under the name of such foreign principal. Who will be the importer and who is eligible to claim input tax In the case of a registered foreign principal importing goods for the purpose of making supply in Malaysia?*

- i) Section 65(6) GSTA, provides that an agent appointed by a person who does not belong to Malaysia to act on his behalf shall be liable for the tax and the other requirements imposed under the GSTA as if he is the person who does not belong to Malaysia.
- ii) Only importer, consignee or owner of the goods imported can claim input tax in relation to importation of goods. (refer reg.38(1)(d) GSTR).
- iii) For the purpose of importing goods into Malaysia by the foreign principal, the appointed agent under section 65(6) GSTA can appear as the importer in Customs Form No.1 and care off @ c/o the name of the foreign principal. Based on the Customs Form No.1, the foreign principal may issue an authorisation letter to the appointed agent for claiming input tax on his behalf.