

**SUMMARY LIST OF AMENDMENTS TO DG'S DECISION**

NO	DG'S DECISION	PRECEDENT DECISION	AMENDMENT
1.	Item 7, 4/2014 <b>Land Development Agreement between a land owner and a developer</b>	When there is a land development agreement between a land owner and a developer – <ul style="list-style-type: none"> <li>(i) The land owner (if registered) must charge GST to the developer on the supply of right to use the land or on the supply of land and account the GST;</li> <li>(ii) The developer must –                             <ul style="list-style-type: none"> <li>(a) charge GST to the land owner on the construction services and other services supplied to the land owner and account the GST; and</li> <li>(b) issue a tax invoice on the supply of the completed property in his name or on behalf of the land owner to the buyer and account the GST.</li> </ul> </li> </ul>	<i>(Amended 31/3/2015)</i> When there is a land development agreement between a land owner and a developer – <ul style="list-style-type: none"> <li>(i) The land owner (if registered) must charge GST to the developer on the supply of right to use the land or on the supply of land at the gross development value (GDV) and account the GST;</li> <li>(ii) The developer must –                             <ul style="list-style-type: none"> <li>(a) Account the GST on the supply of construction services and other services to the land owner at the gross development cost (GDC). As the parties in the agreement agreed that the developer shall on its own cost and expenses, be responsible for the works necessary in connection with the proposed development, such construction services and other services are deemed to be supplied by developer. No tax invoice shall be issued to the land owner;</li> <li>(b) Charge GST on the supply of the developed building and issue a tax invoice on such supply of the developed building at the gross development value (GDV) in his name to the end buyer and account the GST; <b>and</b></li> </ul> </li> </ul>

(c) Charge GST to the land owner on marketing services supplied to the land owner and account the GST (if the developer market the developed property own by the land owner).

*(Amended 31/3/2015)*

When there is a land development agreement between a land owner and a developer (Parties) to develop a land –

(1) In relation to commercial properties –

(a) the land owner (if registered) must –

(i) issue a tax invoice and charge GST to the developer based on the amount of land owner's entitlement (as per the terms of such land development agreement entered by parties) for the supply of rights to use the land or for the supply of land; and

(ii) account the GST.

(b) the developer must issue a tax invoice under his name to the end buyer and charge GST on the supply of developed property at the gross development value (GDV);

(c) the developer can claim GST paid as his input on –

			<ul style="list-style-type: none"><li>(i) his acquisition of rights to use the land or supply of land from the land owner; and</li><li>(ii) cost incurred in relation to those directly used for the development of the commercial properties (if registered);</li></ul> <p>(2) In relation to mixed supplies (Commercial and Residential Properties) –</p> <ul style="list-style-type: none"><li>(a) if the approved use of land has not been established by the Parties, the land owner (if registered) must –<ul style="list-style-type: none"><li>(i) issue a tax invoice and charge GST to the developer based on the amount of land owner's entitlement (as per the terms of such land development agreement entered by parties) for the supply of rights to use the land or the supply of land; and</li><li>(ii) account the GST.</li></ul></li><li>(b) if the approved use of land is established by the Parties (supported by <i>Surat Kebenaran Merancang</i> and Approved Master Layout Plan as documentary evidences), the land owner must –<ul style="list-style-type: none"><li>(i) issue a tax invoice and charge GST to the developer based on the</li></ul></li></ul>
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			<p>amount of land owner's entitlement (as per the terms of the agreement entered by parties) for the supply of rights to use the land or the supply of land which relates to commercial portion only; and</p> <p>(ii) account the GST.</p> <p>(c) The developer must issue a tax invoice under his name and charge GST to the end buyer on the supply of the developed commercial properties at the gross development value (GDV).</p> <p>(d) The developer -</p> <p>(i) can claim input tax incurred in relation to those inputs directly used for the supply of the commercial properties;</p> <p>(ii) cannot claim input tax incurred in relation to those inputs directly used for the supply of the residential properties; and</p> <p>(iii) must apportion the input tax incurred for both residential and commercial properties (residual) based on apportionment formula.</p> <p>(3) In relation to exempt supplies (Residential Properties) -</p>
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			<p>(a) The land owner (if registered) cannot charge GST to the developer on the supply of rights to use the land or supply of land;</p> <p>(b) The developer must charge GST on fixtures and fittings and marketing services on the land owner's entitlement (if the developer market the developed property own by the land owner).</p> <p><i>* GDV is referred to the total selling price to the end buyer</i></p>
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