

GST FREQUENTLY ASKED ISSUES (FAI)

ITEM 1:

Supply by Societies and Similar Organizations (Including Charitable Entities)

How to determine whether the value of supply is nominal or not?

- (i) Paragraph 3(a) Schedule 2 of the GSTA (Goods and Services Tax Act 2014), provides that supply of goods or services by any society or similar organization registered under any written law shall be treated as not a supply where the supply to its members relates to its aims and objectives and available without payment other than a membership subscription and the value of such supply is nominal.
- (ii) The value of supply is treated as nominal when the cost of supply made by the society or similar organizations to each of its member in a year **does not exceed RM100** (one hundred ringgit Malaysia).