

GST FREQUENTLY ASKED ISSUES (FAI)

ITEM 3:

Issuing tax invoice for exempt supply

For the purpose of reducing compliance cost, can a mixed supplier who is GST registered, instead of issuing normal invoice, issue a tax invoice when making only exempt supply?

- (i) Every registered person who makes any taxable supply in the course of his business shall issue a tax invoice containing the prescribed particulars (section 33(1) GSTA).
- (ii) A non-registered person shall not issue invoice showing an amount which purports to be a tax.(section 33(10) GSTA)
- (iii) No person shall issue invoice showing an amount which purports to be a tax on non-taxable supply. (section 33(10)GSTA)
- (iv) To avoid confusion to the consumer, the GST registered supplier must not issue tax invoice when making only exempt supply (non-taxable supply).