ITEM 6:

Individual supply commercial property

Whether an individual has to charge GST when making a supply of his commercial property?

(i) GST shall be charged by a taxable person in the course or furtherance of business on any taxable supply of goods or services made in Malaysia (section 9 GSTA).

(ii) Taxable person means any person who is or is liable to be registered under section 2 GSTA. A person is liable to be registered if his total taxable supply of the current month and the next eleven months exceeds RM500,000.

(iii) Any individual who is not a GST registered person is treated as carrying out a business if he at any one time owns – (wef 28/10/2015)

(a) more than 2 commercial properties;

(b) more than one acre of commercial land; OR

(c) commercial property or commercial land worth more than 2 million ringgit at market price;

(iv) Any individual mentioned in paragraph (iii) is liable to be registered as a GST registered person if – (wef 28/10/2015)

(a) he has the intention to supply any of his commercial properties or commercial land; AND

(b) the total value of such supply exceeds the prescribed threshold in 12 months periods.

(v) ‘at any one time’ mentioned in paragraph (iii) means at any point of time in his lifetime commencing after the effective date. (wef 28/10/2015)

(vi) Any individual is treated as carrying out a business and making a supply of taxable service if: (wef 28/10/2015)

(a) he is supplying any lease, tenancy, easement, licence to occupy or rent; AND

(b) his annual turnover for such supply has exceeded the prescribed threshold in the period of 12 months.