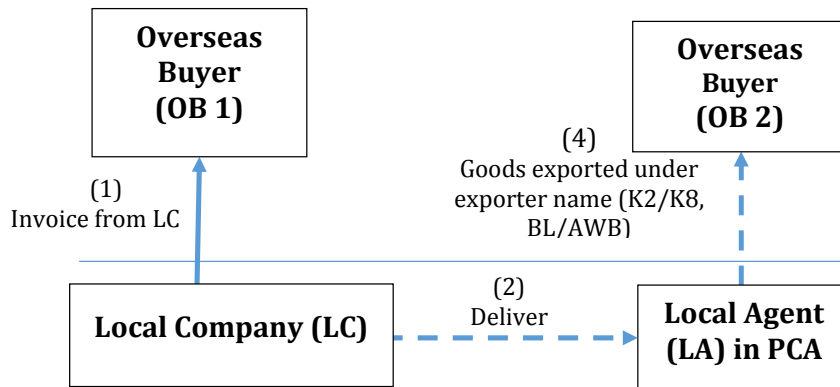


DECISION BY DIRECTOR GENERAL, ROYAL MALAYSIAN CUSTOMS

ITEM 3:

Local company (LC) sell goods to overseas buyer (OB 1) and OB1 request the goods to be delivered to his local agent (LA) in PCA and subsequently the goods are exported out by LA to OB1 customer's in other countries (OB2)

Whether the supply made by LC to OB1 can qualify for a zero rate?



- (1) The supply of goods made by LC to OB1 is subject to GST at standard rate and not qualify for zero rate as the goods were delivered into PCA.
- (2) The goods exported by LA to OB2 are zero rated supply with conditions that the export form Customs No.2 and shipping documents indicated that the consignor is LA and the consignee is OB2.