

Time of supply

11. (1) This section shall apply in determining the time of supply of goods or services except as otherwise provided in this Act.

(2) Subject to subsections (4), (5), (6) and (7), the time of supply of goods shall be—

- (a) at the time of removal of the goods if the goods are to be removed;
- (b) at the time when the goods are made available to the person to whom the goods are supplied if the goods are not to be removed;
- (c) where goods, being sent or taken on approval or sale or return or similar terms, are removed before it is known whether a taxable supply will take place, at the time when it becomes certain that the taxable supply has taken place or twelve months after the removal, whichever is the earlier.

(3) Subject to subsections (4), (5), (6) and (8), the time of supply of services shall be at the time when the services are performed.

(4) Where, before the time applicable under subsection (2) or (3), the person making the supply issues a tax invoice in respect of it or where, before the time applicable under paragraph (2)(a) or (b) or subsection (3), he receives a payment in respect of it, the supply shall, to the extent covered by the invoice or payment, be treated as taking place at the time the invoice is issued or the payment is received, as the case may be, or whichever is the earlier.

(5) Where, within twenty-one days after the time applicable under subsection (2) or (3), the person making the supply issues a tax invoice in respect of it, then, the supply shall, to the extent that it is not treated as taking place at the time referred to in subsection (4) be treated as taking place at the time the invoice is issued.

(6) On the request made in writing by a taxable person, the Director General may in writing, as he deems fit, alter the time at which supplies made by the taxable person are to be treated as taking place.

(7) Where there is a supply of goods by virtue only of a transfer or disposal of business assets under subparagraph 5(1) of the First Schedule, the time of supply is at the time when the goods are transferred or disposed of.

(8) Where there is a supply of services by virtue only of subparagraph 5(3) of the First Schedule, the time of the supply is at the time when the goods are appropriated to the use referred to in the subparagraph.

(9) Notwithstanding subsections (1), (2), (3), (4), (5), (6), (7) and (8), where there is—

- (a)* a supply of goods or services for a consideration the whole or part of which is determined or payable periodically, or from time to time, or at the end of any period;
- (b)* a supply of goods for a consideration the whole or part of which is determined at the time when the goods are appropriated for any purpose;
- (c)* a supply of services by virtue of subparagraph 5(3) of the First Schedule over a period of time;
- (d)* a supply of goods or services under any prescribed circumstances, the time at which the supply made in the course or furtherance of any business in Malaysia shall be determined according to the regulations made under this Act.

(10) For any case referred to in subsection (9), the regulations may provide for goods or services to be treated as separately and successively supplied at prescribed times or intervals.

(11) This section shall not apply to subsections 183(2) and (4).