

**PART XV**  
**APPROVED TOLL MANUFACTURER SCHEME**

**Application for approval**

91. (1) A taxable person is eligible to make an application to the Director General under section 72 of the Act if he is a registered person under section 20 of the Act and he satisfies the Director General that—

(a) the **total** value of supplies comprising the treatment or processing of goods for and to **any person** who belongs in a country other than Malaysia is two million ringgit or more per annum; and

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(b) he shall export at least eighty per cent of the finished goods.

(2) A taxable person making an application under subregulation (1) shall be subject to the following conditions:

(a) he shall account for tax on a monthly taxable period;

(b) he is a registered user of the electronic service under regulation 106;

(c) he has performed and complied with all duties and obligations relating to his liabilities to account and pay such tax as prescribed under the Act; and

(d) his accounting and internal control systems are able to meet with such accounting and auditing standards as the Director General may determine.

(3) Any person referred to in subsection 72(2) of the Act, shall make an application jointly with the taxable person mentioned in this regulation, in such form and manner as the Director General may determine, for approval to receive goods supplied under the Approved Toll Manufacturer Scheme.

(4) Every application for approval under subregulation (1) shall be made in such form and manner as the Director General may determine and shall be submitted to an officer of goods and services tax at the GST Processing Centre.

(5) The Director General may, approve or refuse any application made under subregulation (1) or (3), and may, upon approval, impose any condition as he deems fit and require the applicant to furnish security in such form and amount for the protection of the revenue.

(6) Any approval granted under subregulation (5) shall be subject to such period and renewal as the Director General may determine.

(7) A toll manufacturer shall immediately notify the Director General of any change in particulars furnished, business transactions or the security given.

(8) Where the toll manufacturer fails to comply with the conditions imposed under this regulation, he shall—

- (a) pay to the Director General the amount of tax on the value of the supply to which the non-compliance relates; and
- (b) include the amount of tax on the value of the supply which he is required to pay under paragraph (a) as output tax in his next taxable period.