

Liability to be registered

20. (1) The Minister may, by order published in the Gazette, specify the amount of taxable supply to give effect to the provision of this section.

(2) Any order made under subsection (1) shall be laid before the Dewan Rakyat.

(3) Subject to subsection (5) and (6), any person who is not registered who makes Any taxable supply is liable to be registered —

(a) at the end of any month , where the total value of all his taxable supplies in that month and the eleven months immediately preceding the month has exceeded the amount of taxable supply specified under subsection (1); or

(b) at the end of any month, where are reasonable grounds for believing that the total value of all his taxable supplies in that month and the eleven months immediately succeeding the month will exceed the amount of taxable supply specified will exceed the amount of taxable supply specified under subsection (1).

(4) Subject to subsection (5) and (6), where any business carried on by any taxable person in transferred to another as a going concern under section 68 and the transferee is not registered at the time of the transfer, the transferee is liable to be registered at time if —

(a) the total value of all his taxable supplies in the period of twelve months immediately preceding the time of the transfer has exceeded the amount of taxable supply specified under subsection (1); or

(b) there are reasonable grounds for believing that the total value of all his taxable supplies in the period of twelve months beginning from the time of the transfer will exceed the amount of taxable supply specified under subsection (1).

(5) In determining the value of any person's supply for the purpose of paragraphs (3)(a) and (4)(a), any supply made at the time when he was previously registered shall be disregarded if —

(a) his registration was cancelled otherwise that under subsection 26(3); and

(b) the Director General is satisfied that before his registration was cancelled, he had given all the information required by the Director General in order to determine whether to cancel the registration.

(6) In determining the value of any person's supplies for the purpose of subsection (3) and (4), the following supplies shall be excluded:

(a) supplies of goods that are capital assets of the business in the course of furtherance of which they are supplied or to be supplied **due to cessation of business**;

(Insert s43 FA 2017 w.e.f. 1/1/2017)

(b) supplies of imported services;

(c) supplies made in accordance with the Warehousing Scheme under 70;

(d) supplies made by a person who belongs in a country other than Malaysia or a recipient, in accordance with the Approved Toll Manufacturer Scheme under section 72; ~~or~~

(Delete s43 FA 2017 w.e.f. 1/1/2017)

(e) supplies made within or between designated areas under section 155 except under subsection 160(1) ;**or**

(Substitute s43 FA 2017 w.e.f. 1/1/2017)

(f) supply of good made within or between the free zone under section 162 except where such supply is subject to an order under subsection 163(1).

(Insert s43 FA 2017 w.e.f. 1/1/2017)