



Malaysia Biomass Industries Confederation

GST Preparation for Malaysia Biomass Industries

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5 things you must remember



ONE

You must
register



Registration

1. <http://gst.customs.gov.my>
2. If your 12 months historical or forecast taxable supplies > \$500,000 in total, you are liable to register
3. Biomass supplies come under standard rated 6%
4. But if you are exporting, then you will zero-rate your supplies
5. Deemed supply and Disregarded supply are taxable supplies

Twea

Ensure you
claim all
input tax
credits



Input tax credits

1. Some input tax credits is blocked e.g. passenger car, entertainment for non staff and non customers and etc
2. You have 6 years to claim
3. Must use the original tax invoice
4. You can use simplified invoice if tax is < \$30
5. Must be in the taxable person's name

3

Submit on
time



Submission

Monthly

1. For taxable month Jan 2016, you need to submit by 28 Feb 2016
2. The last day of the month following your taxable period (month)
3. Applicable to businesses with turnover > \$5m p.a.

Quarterly

1. For taxable quarter 1 of your financial year end 31 Dec 2016, you need to file by 30 April 2016
2. The last day of the month following your taxable period (quarter)
3. Applicable to businesses with turnover < \$5m

FOUR

Claim your
Bad Debt
Relief



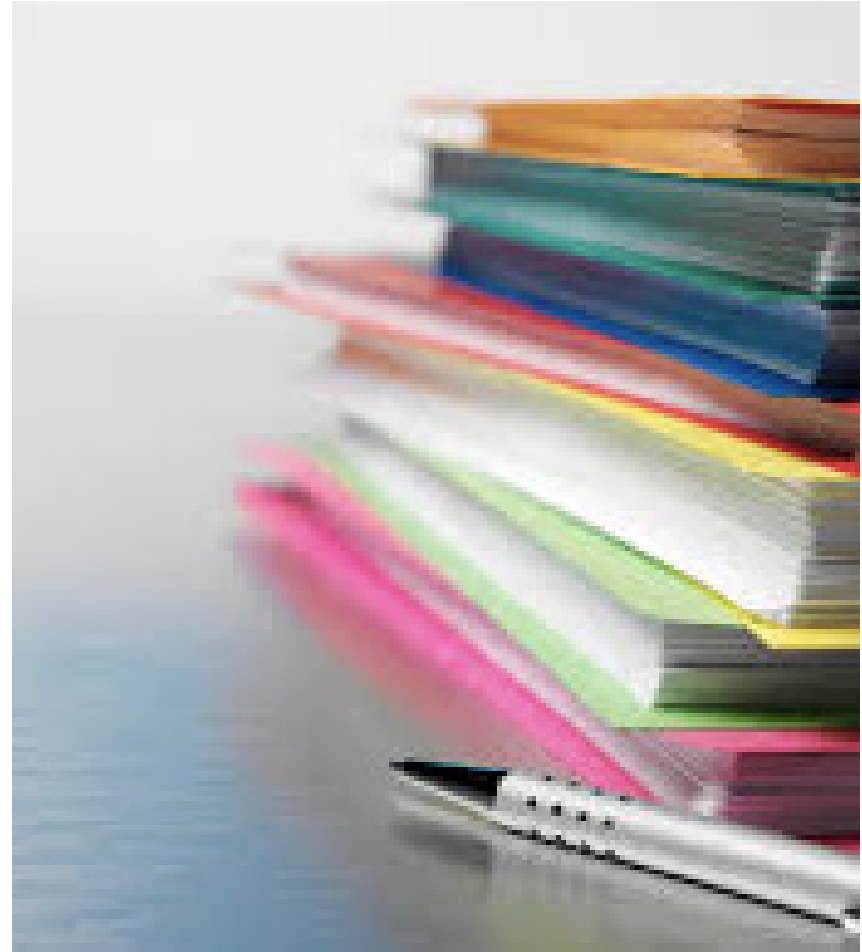
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Bad Debt Relief

- Supplier can claim bad relief if
 1. Bad debts, or
 2. Debt aged more than 6 months
- Only if you have paid GST earlier
- The same for customer, means, you need to pay GST if you do not pay after 6 months



Good Documentation and Recordkeeping



Recordkeeping

- Your business will be audited by the Royal Customs of Malaysia
- The only chance to prove your submission is accurate documentation
- Failure to keep proper records could result a maximum of \$50,000 fine and 3 years jail
- The directors are responsible to pay the fine and serve the jail term

How GST can impact **Biomass** in the future?



MyHijau

- Proposed to be included as GST exempt
- If MyHijau is exempted, a Biomass supplier for both taxable and exempted supplies will become a mixed supplier
- Mixed supplier cannot claim input tax credit used to produce exempt supplies
- Need to apply capital goods adjustments to apportion shared input tax credit

Thank You
from

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