

**MINIT MESYUARAT JAWATANKUASA TEKNIKAL ISU PELAKSANAAN CUKAI JUALAN
DAN CUKAI PERKHIDMATAN**

BIL 1/2019

1. KETERANGAN AM

Tarikh : 08 Mei 2019

Masa : 9.00 pagi

Tempat : Dewan Persidangan Sri Rampai, Ibu Pejabat JKDM, Putrajaya

2. BUTIR KEHADIRAN

BIL	NAMA	JAWATAN	AGENSI
1.	YBhg. Dato' Ahamad Maher Bin Abd Jalil	Pen. KPK (CDN)	JKDM
2.	Pn. Nora'ini Bt Abd Khalid	Timb Pengarah Kastam	JKDM
3.	Pn. Norhasimah Bt Hussin	Timb Pengarah Kastam	JKDM
4.	Tn. Faizulnudin Bin Hashim	Timb Pengarah Kastam	JKDM
5.	Pn. Sakenah Begum Bt Md Nazir	Timb Pengarah Kastam	JKDM
6.	Pn. Saharah Bt Saleh	Timb Pengarah Kastam	JKDM
7.	Tn. Chin Hon Hin	Timb Pengarah Kastam	JKDM
8.	Tn. Yusri Bin Abdul Jalil	Timb Pengarah Kastam	JKDM
9.	Tn. Abdul Ghafar Bin Mohamad	PKPK I	JKDM
10.	Tn. Ab Ghani Bin Othman	PKPK I	JKDM
11.	Pn. Norzila Bt Abdullah	PKPK I	JKDM
12.	Tn. Khairul Nizam Bin Othman	PKPK II	JKDM
13.	Pn. Norena Bt Datuk Jaafar	Ketua Pen. Setiausaha	MOF
14.	Noreen Haiza Bt Khairuddin	Ketua Pen. Setiausaha	MOF
15.	En. David Lai	Representative	CTIM
16.	En. Alan Chung	Representative	CTIM
17.	En. Chandraruban Parameswaran	Secretariat	CTIM
18.	En. Koong Lin Loong	National Council Member	ACCCIM
19.	En. Lee Hooi Seng	National Council Member	ACCCIM
20.	Ms. Lim Yen Ling	Assistant Executive Secretary	ACCCIM
21.	En. Kwong Han Huei	Assistant Executive Secretary	ACCCIM
22.	En. Chandran T S Ramasamy	Director	MIA
23.	Pn. Rafidah Bt Mohd Noor	Manager	MIA
24.	Datuk Noraini Bt Sultan	Vice President	FMM
25.	Dato' Tan Kwong Jin	Customs Committee Vice Chairman	FMM
26.	Ms. Maygelah Siva	Secretariat	FMM
27.	En. Raja Kumaran	Representative	MICCI
28.	En. Tim Simpson	Representative	MICCI

BIL	NAMA	JAWATAN	AGENSI
29.	Ms. Wong Hin Wei	Secretariat	MICCI
30.	En. Harith Fadhila	Representative	PPIM
31.	En. Koh Siok Kiat	Member	STA
32.	En. Philip Choo	Honorary Treasurer	STA
33.	Ms. Yii Yien Yien	Secretariat	STA
34.	En. Tan Eng Yew	Representative	MICPA
35.	En. Koo Kian Ming	Representative	MICPA
36.	Ms Tan Yu Yin	Secretariat	MICPA
37.	En. Darian Lim	Representative	PEMUDAH
38.	Pn. Wong Poh Geng	Representative	MICPA
39.	En. Mohameed Faisal Bin Syed Ibrahim	Ahli Majlis Kerja Tertinggi	MATA
40.	Dr. Mohd. Fairuz Bin A. Razak	Ahli Majlis Kerja Tertinggi	MATA
41.	Pn. Jeannie Ooi	Representative	FREPENCA
Sekretariat			
1.	Tn. Khilmie Bin Ghazali	PKPK II	JKDM
2.	Pn. Sarah 'Abidah Bazilah Bt Abd Jabbar	PPK	JKDM
3.	Tn. Mohamed Fazrin Bin Mohamed Akhir	PPK	JKDM
4.	Pn. Nur Ashani Bt Mehat	PaK	JKDM

Bil	Perkara	Tindakan/ Ulasan
3.0	UCAPAN ALUAN PENGERUSI	
3.1	PENDAHULUAN i. Pengerusi mengucapkan terima kasih dan mengalu-alukan kehadiran semua ahli mesyuarat.	Makluman
3.2	TUJUAN MESYUARAT i. Mesyuarat diadakan bagi membincangkan isu-isu teknikal yang telah dikemukakan oleh pihak swasta.	Makluman
4.0	PENGESAHAN MINIT MESYUARAT i. Minit Mesyuarat Jawatankuasa Teknikal Isu Pelaksanaan Cukai Jualan dan Cukai Perkhidmatan Bil. 1/2018 telah disahkan tanpa sebarang pindaan.	Makluman
5.0	PERKARA YANG DIBINCANGKAN	
	PERBINCANGAN	
	SALES TAX	
5.1	Exemption for Raw Materials for manufacture of non-taxable Goods i. Manufacturers of certain non-taxable goods currently are not given exemption for its taxable raw materials. For example, manufacturer of diapers (non-taxable goods) requires raw material of absorbent pad which are taxable. ii. This manufacturers faced competition with their competitors since imported diapers are non-taxable. iii. FMM proposes that all inputs for the manufacture of non-taxable goods is given automatic exemption.	<u>RMCD response:</u> (i) Application for such exemption may be made directly to MOF through association. (ii) FMM to put forward proposal paper to MOF.

Bil	Perkara	Tindakan/ Ulasan
5.2	<p>Conditions for Item 55 of Schedule A and MIDA endorsement process</p> <p>i. FMM raises 2 issues as follows:</p> <p>(a) <u>Issue 1</u> To be eligible under Item 55, machinery, equipment and spare parts must be imported or purchased directly by manufacturers endorsed by MIDA from LMW, bonded warehouse, Free Zone or manufacturer approved by the Director General and that the goods are new and unused. In some cases, manufacturers import or purchase via traders which are not eligible for exemption. FMM request that the item 55 may also include traders and second hand or fully reconditioned goods.</p> <p>(b) <u>Issue 2</u> Current SST policy requires manufacturers of price controlled articles under Schedule B to pay sales tax if the manufacturer produces taxable goods and subsequently the goods are used for its own purpose. (i.e own disposal) For example, a manufacturer of milk (non-taxable) also manufactures its own can (taxable) for the packaging of the milk.</p> <p>ii. FMM further request for review of RMCD policy.</p>	<p><u>RMCD response:</u></p> <p>(i) <u>Issue 1:</u> For item 55, the exemption shall apply only to –</p> <p>(a) goods which are new and unused; and</p> <p>(b) the goods must be imported or purchased directly by the manufacturer.</p> <p>(c) Please refer to Sales Tax: Item 2, Lampiran A for further details.</p> <p>(ii) <u>Issue 2:</u> RMCD will review the policy.</p>
5.3	<p>Request for Extension on the Sales Tax Drawback Period for Re-Export</p> <p>i. Regulation 17 states that to be eligible for drawback, the taxable goods must be exported within 6 months from the date on which the sales tax has been paid for the importation of the taxable goods or the date of issuance of invoice for the purchase of the taxable goods.</p>	<p><u>RMCD response:</u></p> <p>(i) Claim for drawback under section 40 of the Act is subject to conditions specified in regulation 17 of the Sales Tax Regulations 2018.</p>

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	<p>ii. However certain manufacturer who imports item for re-export such as construction items is not able to meet the six months period for re-export in order to enjoy sales tax drawback.</p>	<p>(ii) The goods must not be used after importation or after payment of sales tax. Furthermore, drawback will not be applicable to product which is value added or rework.</p>
5.4	<p>Goods movement from LMW to sub-contractor</p> <p>i. FMM seeks clarification on the requirement for LMW companies to generate an SST exemption certificate (under Item 54 Schedule A) using the My SST system for each and every movement of goods to their sub-contractors.</p> <p>ii. LMW companies will not be able to be comply with this requirement administratively.</p>	<p>RMCD response: The exemption certificate under item 54, Schedule A of the Sales Tax (Persons Exempted From Payment of Tax) is only required quarterly and RMCD will review the validity period of the certificate.</p>
5.5	<p>Raw material and packaging material exemption for flavored UHT milk based drinks</p> <p>i. For HS 2202.99.10 00 - - - Flavoured UHT milk based drinks is exempted under Sales Tax (Goods Exempted From Tax) Order 2018.</p> <p>ii. FMM requested that for this item to be updated in Item 3, Schedule B Sales Tax (Persons Exempted From Payment of Tax) Order 2018.</p>	<p>RMCD response: Amendment is being made to Sales Tax (Persons Exempted From Payment of Tax) Order 2018.</p>
5.6	<p>Raw material exemption for pharmaceutical products (Chapter 90)</p> <p>FMM highlighted that local medical device manufacturers i.e. manufacturers for dialyzer (artificial kidney filters) are not able to compete with imported products as their raw material are taxable and they are not able to apply for sales tax exemption as their final goods are non-taxable items.</p>	<p>RMCD response: Association must make an application for exemption directly to MOF.</p>

Bil	Perkara	Tindakan/ Ulasan
5.7	<p>Submission of Quarterly Report for SST Exempted Products</p> <p>FMM seeks the removal of quarterly reports submitted to RMCD for all goods imported and purchased under Schedule C exemption.</p>	<p>RMCD response: The report is submitted only when required by RMCD.</p>
5.8	<p>Amendments in Application Procedure for Schedule C3 (Exemption for Purchase/ Importation on behalf of Manufacturer)</p> <p>FMM seeks not to impose the requirement for trader to sign up and generate the certificate using appointment approval number given for any application under Schedule C3.</p>	<p>RMCD response: Signing up requirement is required only one time.</p>
SERVICE TAX		
5.9	<p>Imported services for group companies exemption</p> <p>i. MICPA proposed that RMCD to consider granting exemption on imported services regardless of whether the overseas related party provides the service to local company outside the group in Malaysia.</p> <p>ii. MICPA also proposed for the <i>Panduan: Perkhidmatan Bercukai Diimport</i> to include that no application for exemption to RMCD/MoF is required.</p>	<p>RMCD response: Application for exemption as proposed shall be submitted to MOF as condition for exemption is imposed by the Minister</p>
5.10	<p>Imported Service Tax: requirement to be registered under written law</p> <p>CTIM seeks confirmation whether imported service tax would apply where service provider is overseas and such person would usually not be registered under "written law" in Malaysia under the</p>	<p>RMCD response: (i) Service provider in overseas does not fall under the category of taxable person by virtue of the First Schedule.</p>

Bil	Perkara	Tindakan/ Ulasan
	First Schedule to Service Tax Regulations 2018.	(ii) Please refer to Service Tax, Item 2 Lampiran A.
5.11	<p>B2B Exemption on Imported services</p> <p>MICPA would like to propose for the B2B exemption to be extended to cover imported services.</p>	<p>MoF response: MOF is currently reviewing the policy.</p>
5.12	<p>Foreign exchange conversions</p> <p>i. MICPA proposed for RMCD to allow some flexibility to businesses in usage of the foreign exchange conversion rate similar to the GST regime.</p> <p>ii. Businesses were allowed to use any commercial bank rate or any central bank rate or corporate exchange rate for MNC companies.</p>	<p>RMCD response: Any prevailing exchange rate in Malaysia can be used by the registered person.</p>
5.13	<p>Option to account on invoice basis</p> <p>MICPA proposed that service tax registrants be given an option to account for service tax on an invoice basis as there should be no impact to RMCD in terms of revenue collection.</p>	<p>RMCD response: Section 11 (1A) Service Tax Act has been amended through Bill DR 6/2019 to empower DG to approve application for service tax to be due at the time invoice is issued. Please refer to Service Tax Act (Amendment) 2019 Act [A1597].</p>
5.14	<p>Intragroup relief – taxability of services to Joint Venture and Companies with minority holdings</p> <p>i. There may be companies within a corporate group that would not meet the ‘control’ test for intragroup relief, although these companies are closely linked and often share the same resources and functions.</p> <p>ii. MICPA proposed for such services to be exempted or only require that the services made to the companies that do not meet the ‘control’ test be subject to tax rather than tax the services for all</p>	<p>RMCD response: Any proposal for deviation from the conditions stated in the regulations shall be submitted directly to MOF.</p>

Bil	Perkara	Tindakan/ Ulasan
	<p>the companies. If the current policy is maintained, this will become significant costs for such businesses.</p>	
5.15	<p>Intragroup exemptions</p> <p>CTIM suggests to expand the intragroup exemption to both domestic and imported services to cover advertising services in Group I and any other services as deemed appropriate.</p>	<p>RMCD response: RMCD has no intention to revise the scope of intragroup facilities. The proposal for expansion shall be made directly to MOF.</p>
5.16	<p>Withholding tax</p> <p>MICPA would like to clarify on how to determine the value of the imported service for service tax purposes if withholding tax is subject to service tax.</p>	<p>RMCD response: Service tax on imported service is calculated on the actual value of the service provided as specified in section 9 of the Act. (For example: actual value Indicated in the Invoice from the foreign party)</p>
5.17	<p>Amendment to Section 7 of the Service Tax Act 2018 (Finance Act 2018)</p> <p>CTIM would suggest to include the words "and consumed in Malaysia" in the definition of imported taxable service for clarity as follows: -</p> <p>"imported taxable service" means any taxable service acquired <i>and consumed in Malaysia</i> by any person in Malaysia from any person who is outside Malaysia.</p>	<p>RMCD response: RMCD disagree with the proposal. RMCD will amend the current guideline.</p>
5.18	<p>Service tax due - Amendment to Section 11 of the Service Tax Act 2018 (Finance Act 2018)</p> <p>CTIM suggests to remove the words "whichever is earlier" in Section 11(b) The rationale for this is to provide flexibility for the recipient to apply whichever is practical as long it is applied consistently.</p>	<p>RMCD response: RMCD disagree with the proposal</p>

Bil	Perkara	Tindakan/ Ulasan
5.19	<p>Service Tax (Amendment) (No.3) Regulations 2018</p> <p>CTIM suggest that Minister's exemption for imported services within group currently given through MOF letter be gazette soon.</p>	<p>RMCD response: RMCD is in the process of amending paragraph 3A of the First Schedule and it will be gazetted soon.</p>
5.20	<p>Service Tax (Amendment) (No.3) Regulations 2018: Training and coaching services</p> <p>i. CTIM noted that from paragraphs 15 – 19 of the RMCD's Guide dated 22 January 2019 that education services are to be excluded from taxable services.</p> <p>ii. CTIM would like to seek confirmation whether educational courses conducted by professional bodies (non statutory) are taxable services.</p>	<p>RMCD response: Courses by statutory body are excluded from service tax. Non statutory bodies need to write in to MOF to be excluded from taxable services.</p>
5.21	<p>Service Tax (Amendment) (No.3) Regulations 2018</p> <p>CTIM would like to clarify whether RMCD's interpretation is that underwriting in Item 12 of group I <i>excludes</i> insurance, takaful and reinsurance.</p>	<p>RMCD response: Underwriting includes insurance, takaful and reinsurance.</p>
5.22	<p>Service Tax (Amendment) (No.3) Regulations 2018</p> <p>CTIM would like to clarify whether the intention of Column 2 of item 12 of Group I is to provide on <i>financial services provided in relation to brokerage and underwriting</i> as taxable services.</p>	<p>RMCD response:</p> <p>(i) Financial services in this provision refers to Services regulated under Financial Services Act 2013, Islamic Financial Services Act 2013, Labuan Financial Services and Securities Act 2010 and Labuan Islamic Financial Services and Securities Act 2010.</p> <p>(ii) The amendment to include the above legislations will be made accordingly.</p>

Bil	Perkara	Tindakan/ Ulasan
5.23	<p>Date when existing registered business should start charging service tax on new taxable service</p> <p>CTIM would like to clarify whether existing registered persons need to charge Service Tax effective 1 January 2019 for the new taxable service in cases where the Group that they are registered covers taxable services which is "any other taxable service specified in other Groups in this Schedule".</p>	<p>RMCD response: Any registered person who has been providing the new services on 1st January 2019 must update their registration. However, charging of service tax will be effective from 1 March 2019.</p>
5.24	<p>Determination of total value of taxable service for the purpose of registration</p> <p>CTIM proposed that Regulation 10 to be amended accordingly for the purpose of determining the registration threshold to state that that the value of service which has been exempted from Service Tax is used instead of the value of the service tax exempted.</p>	<p>RMCD response: The amendment is being made to the Regulation 10 of the First Schedule and will be gazetted soon.</p>
5.25	<p>The new item (i) to (x) under the First Schedule, Group G</p> <p>CTIM would request for some examples of types of management services (i.e. which are not made on behalf of another person) which may be excluded for service tax.</p>	<p>RMCD response: Only management service made on behalf of another person is taxable service. For example event management, building management and receivership.</p>
5.26	<p>Service Tax (Persons Exempted From Payment of Tax) Order 2018</p> <p>i. Column 4 of Item No. 1 of the Schedule states in paragraph (c) that the taxable person exempted must provide the same taxable service as the service exempted in column 3.</p> <p>ii. For example, the taxable person must provide legal service in order to be exempted from service tax for the acquisition of a legal service. CTIM request for a review of this condition</p>	<p>RMCD response: (iii) The objective for giving the exemption is not for the end user benefits rather the exemption is given to intermediaries who acquired such service and then provides taxable service to customer.</p> <p>(iv) RMCD disagree with the proposal.</p>

Bil	Perkara	Tindakan/ Ulasan
	<p>since it does not cover for instance where out-of-pocket expenses recharged by legal practitioners that are not related to the taxable service provided to its clients.</p>	
5.27	<p>Regulation 3A of the Service Tax Regulations 2018</p> <p>Regulation 3A of the Service Tax Regulations 2018 provides for the effect of change in taxable service. CTIM would like to clarify the time when the Service Tax exemption would apply.</p>	<p>RMCD response: Service tax exemption is applicable for service provided from 1st January 2019. Thus services provided after 1 January 2019 is entitled for exemption</p>
5.28	<p>RMCD's Guide on Information Technology Services dated 13.12.2018</p> <p>i. CTIM refers to point no. 15 which states that one of the Information Technology Service which is subject to service tax is development or provision of software.</p> <p>ii. CTIM proposed that provision of software which is in the form of a product should not be regarded as a service. Generally, any payment which has the characteristic of licence fee for the use of a software product should not be regarded as a fee for services.</p>	<p>RMCD response: License fee is payment for the usage of the software (service). Thus, provision of software is taxable.</p>
5.29	<p>Service Tax on Forwarding Agents/ Customs Brokers</p> <p>To address concerns on double taxation, FMM request for forwarding agents to be moved from Group G: Professionals to Group I: Other Service Providers.</p>	<p>RMCD response: RMCD disagree with the proposal.</p>
5.30	<p>Service tax - redundancy of 'contra' system due to mandatory adjustment provisions</p> <p>i. MIA propose for the repeal of Section 39 contra system facility.</p>	<p>RMCD response: (i) Credit and debit note under s.23 of the Act is applicable due to change of rate of tax or</p>

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	<p>ii. This is because any cancellation/ termination of taxable service are an adjustments in the course of business. Hence, mandatory adjustment via credit note should be applicable. If the current provision is retain, MIA proposed that the provision be amended to include .." where no credit note is issued".</p>	<p>any adjustment in the course of business (regulation 11). (ii) Adjustment provided under s.39 of the Act shall be applicable only with the approval of Director General and for service tax that is refunded to the customer due to cancellation or termination of taxable service.</p>
5.31	<p>Reimbursements not taxable under service tax law</p> <p>MIA propose that Customs SST Guides should be amended to reflect and consistently apply the narrow concept of "actual value" and accordingly any reimbursement payable in addition to fee/charge for taxable services, should not be subject to service tax.</p>	<p>RMCD response: The value of taxable service on which service tax is payable is specified under Sec.9 of the Act and the value shall be the actual value charged by the registered person which includes reimbursement and any other cost incurred in providing the taxable services. RMCD will update the guideline.</p>
5.32	<p>Service tax - Director fees</p> <p>MIA propose that director fees should not be subject to service tax. Service of director service on boards of companies is not a management service provided to the companies.</p>	<p>RMCD response: Directors who are appointed as a consultant to provide consultancy services is providing taxable service and subject to service tax.</p>
	OTHER ISSUES	
5.33	<p>Filing of Form SST-02 / SST-02A</p> <p>CTIM would like to confirm whether registered manufacturer who acquires imported service need to declare in Form SST-02 or SST-02A?</p>	<p>RMCD response: A sales tax registered manufacturer who acquires imported taxable service in carrying on his business has to account for service tax due in SST-02A.</p>
5.34	<p>GST payments on Bad Debts Recovered</p> <p>i. FMM highlight the concern of companies on payment of GST on bad debt recovered through amendment of last GST return.</p>	<p>RMCD response: (i) RMCD has made a decision to allow businesses to account for bad debts recovery on a monthly basis by amending their final return.</p>

Bil	Perkara	Tindakan/ Ulasan
	<ul style="list-style-type: none"> ii. The company will be imposed with penalties upon revising the last GST returns iii. Furthermore, some of the customers are making monthly instalments for the bad debts. Thus, it is not feasible to revise the last GST returns on a monthly basis. iv. FMM propose for monthly manual submission of GST payment on bad debts recovered without penalties. 	<p>(ii) Any penalty imposed due to this declaration may apply for remission to the DG via GST TAP.</p>
5.35	<p>GST transitional –right of review/appeal</p> <ul style="list-style-type: none"> i. Currently, the GST (Repeal) Act does not give, on or after 1 September 2018, any right of review to the DG of Customs against any decision of proper officer of GST. ii. Similarly, right of appeal to the Customs Appeal Tribunal only are limited to decision of DG of Customs on matters of review applications or any pending appeal before 1 September 2018. iii. MIA propose this to be expanded to allow taxpayer the right to review and appeal. 	<p>RMCD response: No GST matters will be heard in Customs Appeal Tribunal other than matters specified under s. 5 of the GST (Repeal) Act and s.141M of the Customs Act 1967.</p>
5.36	<p>GST transitional - appeals heard but yet to be decided by the GST Appeal Tribunal</p> <p>MIA seek to clarify on the GST Appeal Tribunal/Customs Appeal Tribunal which have raised an issue on section 5(3), GST (Repeal) Act i.e. appeals heard but yet to be decided by the GST Appeal Tribunal, as at 1 September 2018, would have to be either:</p> <ul style="list-style-type: none"> (a) continue to be decided by the GST Appeal Tribunal; or (b) reheard and decided by the Customs Appeal Tribunal 	<p>RMCD response: This issue will be forwarded to the Customs Appeal Tribunal</p>

Bil	Perkara	Tindakan/ Ulasan
5.37	<p>GST transitional section 4(1)(b), GST Repeal Act</p> <p>i. MIA would like to seek clarification on DG's decision SST 1/2018 to not allow the issuance of tax invoice on or after 1 September 2018 for the collection of GST.</p> <p>ii. This is not in line with the letter and spirit of the GST Act read with section 4(1)(b), GST (Repeal) Act and therefore it should be rescinded.</p>	<p>RMCD response:</p> <p>(i) Any registered person who makes a taxable supply of goods or services before 1st September 2018 is allowed to issue a tax invoice after 1st September 2018.</p> <p>(ii) For further details, please refer to Other Issues : Item 5, Lampiran A</p>
5.38	<p>SST transitional registration for GST-registered business</p> <p>i. MIA would like to seek clarification as there have been instances where GST-registered businesses who were not auto-registered from 1 Sep and who applied for registration within 30 days in Sep is being retrospectively registered from 1 Sep, instead of prospectively from 1 Oct.</p> <p>ii. Therefore, Customs should amend the effective date of registration for such businesses from 1 Sep to 1 Oct.</p>	<p>RMCD response:</p> <p>RMCD to look into specific case and to decide on case by case basis.</p>
5.39	<p>SST on bad debt</p> <p>i. MIA request that instead of a claim of refund via form filling procedure, it is suggested to allow deduction for bad debt relief via SST 02 form, similar to the former GST regime.</p> <p>ii. It is also suggested that the requirement for the service tax to be written off be repealed.</p>	<p>RMCD response:</p> <p>(i) Currently claim for a refund of service tax in relation to bad debt shall be made using form JKDM No.2 as specified in Regulation 19 of the Service Tax Regulation 2018 and Regulation 15 of the Sales Tax Regulation 2018.</p> <p>(ii) RMCD to review regarding bad debts under the Service Tax Act 2018.</p>

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5.40	<p>GST bad debt relief</p> <p>i. MIA would like to clarify on the 120 day-deadline after 1 September 2018, to claim bad debt relief, as stated in para 64, SST Guide on Transitional Rules and request that it should be altered to reflect the 6-year time limit to claim bad debt relief (refund).</p> <p>ii. This contradicts Customs own later statement in para 64, SST Guide on Transitional Rules, that more than 6 months' time frame is to be given to businesses to claim bad debt relief, even if it spans 1 September 2018.</p>	<p>RMCD response:</p> <p>(i) A registered person is entitled to a relief for bad debt if: -</p> <p>(a) he has paid the tax in respect of a taxable supply;</p> <p>(b) he has not received any payment in respect of the taxable supply from a debtor after six months from the date of supply or the debtor has become insolvent before the period of six months has elapsed;</p> <p>(c) sufficient efforts have been made by him to recover the debt; and</p> <p>(d) he has prepared, kept and updated full records of list of debtors involved in the claim under Section 58 of GSTA including records as prescribed in Regulation 74 of Goods and Services Tax Regulations 2014 (GSTR).</p> <p>(iii) For further details, please refer to Other Issues : Item 8, Lampiran A.</p>
5.41	<p>GST to SST transition - flexibility in terms of invoices/credit notes/debit</p> <p>MIA request for the following:-</p> <p>(a) Registration number should be flexible in that only SST registration number may be stated (not GST registration number)</p> <p>(b) Serial numbering of invoice/credit note/debit note may be continuous despite being for different taxes (GST/sales tax/service tax)</p> <p>(c) Businesses could differentiate these transaction documents for accurate</p>	<p>RMCD response:</p> <p>Flexibility on the multiple format of invoices issued is not allowed.</p>

Bil	Perkara	Tindakan/ Ulasan
	tax reporting, by way of tax codes used in the documents.	
6.0	PENUTUP	
	i. Tuan Pengerusi merakamkan ucapan terima kasih kepada semua ahli yang hadir. ii. Mesyuarat ditangguhkan pada jam 1.00 petang.	

Disediakan:



(SARAH ABIDAH BAZILAH BT ABD JABBAR)

Urusetia

Mesyuarat Jawatankuasa Teknikal
 Isu Pelaksanaan Cukai Jualan &
 Cukai Perkhidmatan
 Bahagian Cukai Dalam Negeri
 Ibu Pejabat

Disahkan oleh:



(DATO' AHMAD MAHER BIN ABD JALIL)

Pengerusi

Mesyuarat Jawatankuasa Teknikal
 Isu Pelaksanaan Cukai Jualan & Cukai
 Perkhidmatan
 Bahagian Cukai Dalam Negeri
 Ibu Pejabat