

Question and Answer#1...

GST Accounting –

Disclosure of Realized Gain/Loss in Exchange

Your story:

The disclosure of net realized gain/loss in exchange

Scenario	Treatment
Net Realized Gain	Disclosure in Item 12 – Exempt Supplies as IES
Net Realized Loss	No disclosure
Unrealized gain/loss	
journal classification, provision and foreign currency revaluation	

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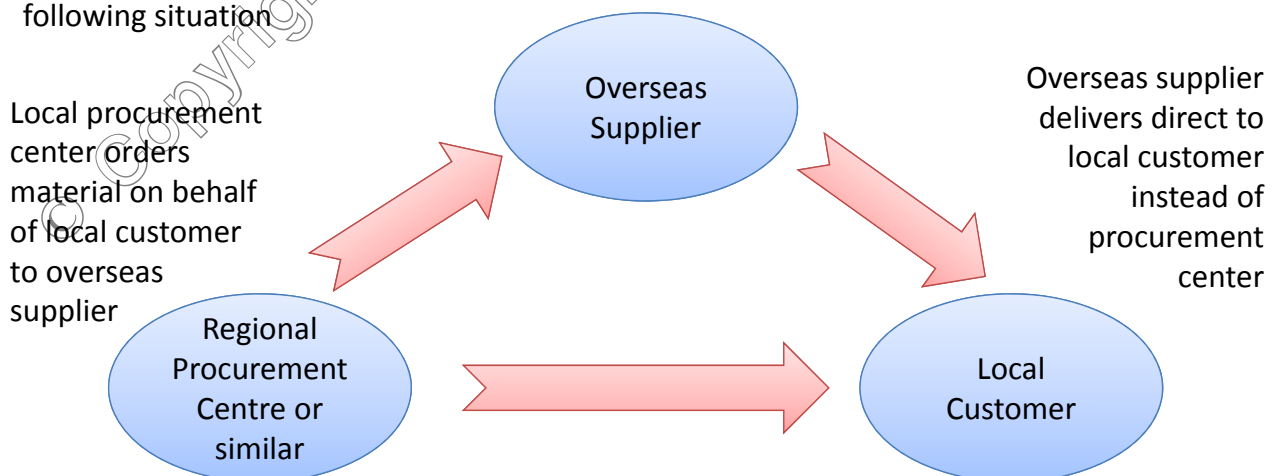
Question and Answer#2...

New GST Tax Code –

OS-OVT

Your story:

This tax code is out of scope supply as if it is taxable in Malaysia. This may use in the following situation



Procurement center issue "invoice" as out of scope to local customer as if no GST. This is out of scope transaction which would be taxable in Malaysia (OS-OVT)

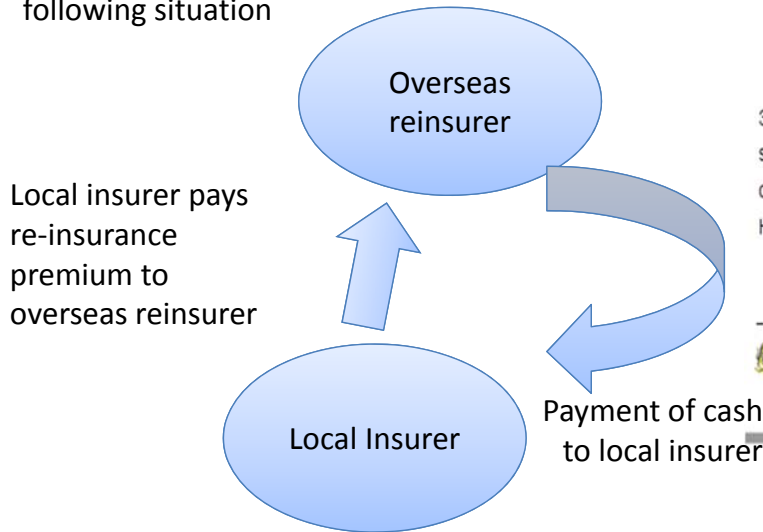
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Question and Answer#2...

New GST Tax Code – OS-OVN

Your story:

This tax code is out of scope supply as if it is not taxable in Malaysia. This may use in the following situation



Therefore the insurer will use OS-OVN to record this kind of transaction as out of scope supply @ 0%

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[22102014]

32. The premiums of a reinsurance contract would qualify for zero-rating if it is a supply made 'under a contract with', and which 'directly benefits' a person belonging outside Malaysia, and who is outside Malaysia when the service is performed. Hence, reinsurance premiums received from cedants belonging outside Malaysia

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can be zero-rated. Reinsurance cover is not treated as supplied directly in connection with goods or land.

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Question and Answer#3...

GST Accounting – Profit Sharing from Overseas

Your story:

If the profit sharing is raising invoice from overseas to Malaysia, then it is imported service. If the profit sharing arrangement is part of journal classification as a result of transfer pricing agreement, then it is out of scope

Scenario	Treatment
Profit sharing invoice from overseas to local company	Dr Expenses OP Cr Interco Dr GST Input Tax (TX) Cr GST Output Tax (DS)
Profit sharing is part of transfer pricing adjustment	Dr Expenses OP Cr Interco (Journal classification)

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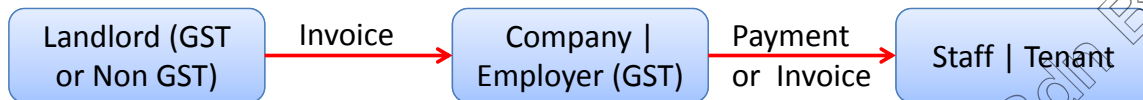
Question and Answer#4...

GST Accounting –

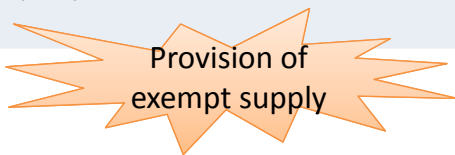
Treatment of Accommodation to staff with rental

Your story:

Company rents a residential unit and sub let to the staff and collect rental for the staff. As it is not free to staff and not stated in the employment contract, it is exempt supply to the staff



Scenario	Treatment
The landlord will issue invoice for the residential unit to the company	This is exempt purchase Dr Staff Accommodation EP Cr Bank
Company collects rental from staff	Dr Bank Cr Rental Income (ES) This is exempt supply



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Question and Answer#5...

GST Accounting –

Treatment of sharing residential property in the course of furtherance of business

Your story:

Company A & B stay in the same residential unit as office. Company A is paying the residential rental to the landlord and reimburse from company B



Scenario	Treatment
The landlord will issue invoice for the residential unit to the company	This is exempt purchase Dr Office Rental (EP) Cr Bank
Company A reimburses from Company B	Dr Bank Cr Rental Income (SR) Cr Output Tax (SR) This is standard rated supply as reimbursement



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