

Advisory Services on Indirect Tax

Moore Stephens has an experienced team of consultants to advise clients on all aspects of indirect tax.

The advisory services we offer cover the following areas:

GOODS AND SERVICES TAX (GST)

Correct implementation of GST and its applications

- Types of supplies
- Rate of tax, time of supply, place of supply, the 21-day rule etc.
- Imported goods and imported services
- Exported goods and exported services
- Value of supply of goods and services
- Value of imported goods
- Registration of business including group registration, registration of partnership, etc.
- Tax invoices, simplified tax invoices and self-billed tax invoices
- Credit notes and debit notes
- Computation of input tax and output tax
- Preparation and submission of GST-03 returns
- Application for GST refunds
- Bad debts relief
- Second-hand goods
- Remission of tax
- Transitional issues
- Advance Rulings

GST Schemes

- Warehousing Scheme
- Approved Trader Scheme
- Approved Toll Manufacturer Scheme
- Approved Jeweller Scheme
- Tourist Refund Scheme
- Flat Rate Scheme
- Special Margin Scheme

Advisory Services on Regulations, Orders and DG Decisions

- GST Regulations 2014 and GST (Amendment) Regulations 2015
- GST (Zero-rated Supply) Order 2014 and GST (Zero-rated Supply) (Amendment) Order 2015
- GST (Exempt Supply) Order 2014 and GST (Exempt Supply) (Amendment) Order 2015
- GST (Relief) Order 2014 and GST (Relief) (Amendment) Order 2015
- GST (Application to Government) Order 2014

- GST (Imposition of tax for supplies in respect of Designated Areas) Order 2014
- Other GST Orders
- Director General's Decisions

GST treatment

- Designated Areas
- Free Commercial Zone
- Free Industrial Zone
- Licensed Warehouses
- Licensed Manufacturing Warehouses
- Inland Container Depot
- Duty Free Shop

GST Audits

- Advice on how to handle GST audits
- Acting as GST agent for clients
- Handling GST investigations

GST Appeal

- Representing clients at the GST Appeal Tribunal
- Presenting client's case at the GST Appeal Tribunal

MALAYSIAN CUSTOMS PROCEDURES AND DOCUMENTATION

Customs Import-Export Procedures

- Customs Forms 1 – 22
- Declaration of goods
- Customs tariff code classification
- Customs valuation of imported goods
 - Understanding the transaction value
 - Cost, insurance & freight & F.O.B.
 - Customs method of valuation
 - Customs verification process
- Import and export of prohibited goods
 - Import licences and export licences
 - Certificate of Approval [COA]
 - Dealing with SIRIM, CIDB, MITI and MAQIS
- Computation of import duty and export duty
- Customs clearance – problems and solutions
- Supply Bases – Kemaman Supply Base, Asian Supply Base
- Types of customs exemptions for importers and exporters

- Customs Duties (Exemption) Order 2013
- MIDA / Treasury exemptions
- Temporary import / Temporary export
- Procedures for importation / exportation by land, sea and air
- Special provisions for liquor and cigarettes
- Appointing a forwarder
- Goods in Transit / Transhipment
- Customs Warehouse procedures
- Licensed Warehouse procedures
- Licensed Manufacturing Warehouse procedures
- Inland Container Depot procedures
- Duty Free Shop procedures
- Procedures for dealing with Labuan, Langkawi and Tioman
- Application for refund of import duties
- Payment of duty under Protest
- Using a bank guarantee / general bond
- Dealing with Joint Development Area
- Use of bonded trucks etc
- Application for Drawback
- Manufacturing samples / trade samples
- Passengers, baggage and hand-carried goods
- Re-import and re-export of goods
- Application for an Advance Ruling
- Obtaining all types of approvals, permits and licences from Customs
- Keeping proper records and documents for a Customs Audit
- Handling customs disputes and appeals
- Representing clients in the Customs Appeal Tribunal

Customs Audits

- Post Importation Audit
- LMW Audit
- The Section 14(2) Audit (Treasury/MIDA exemption)
- Audit on Duty Free Shops
- Audit on Licensed Warehouses

All types of Customs Investigations

EXCISE DUTIES AND PROCEDURES

- Rates of excise duties
- Goods subject to excise duty
- Application for Excise Licence
- Manufacturing intoxicating liquor
- Retail sale licence, wholesale licence
- Public House licences, Beer House licences, Retail

- Shop licences, Wholesale dealers licences
- Petroleum and Petroleum products
- Tobacco and tobacco products
- Handling an Excise Audit

FREE COMMERCIAL ZONES AND FREE INDUSTRIAL ZONES

- Free Commercial Zones Procedures (FCZ)
FCZs are established at Ports, Airports and Points of Entry in Malaysia to enable importers and exporters to store their goods free of import duty, export duty and GST. Only commercial activity is allowed in a FCZ.
- Free Industrial Zones (FIZ)
FIZs are zones where export-oriented manufacturing companies are located. Most of them export 100% of their finished goods. Only manufacturing activity and related value added activities are allowed in a FIZ.

Treatment for companies in Free Commercial Zones and Free Industrial Zones under the Customs Act 1967 and GST Act 2014 are different.

THE FREE TRADE AGREEMENTS

Malaysia and ASEAN have signed Free Trade Agreements with a number of countries

- ASEAN Free Trade Agreement
- ASEAN – Japan
- ASEAN – China
- ASEAN – Korea
- ASEAN – India
- Malaysia – Pakistan
- Malaysia – Japan
- Malaysia – India
- Malaysia – New Zealand
- Malaysia – Chile
- Malaysia – Australia
- Malaysia – Turkey
- The Trans-Pacific Partnership (2018)
- The Regional Comprehensive Economic Partnership (pending)
- The Silk Road (pending)
- ASEAN – EU (pending)
- Understanding Free Trade Agreements
- The Rules of Origin
- Applying for the Certificate of Origin
- Claiming Preferential Rate of Duty from Customs
- Record keeping for a Customs Audit

ANTI-DUMPING DUTIES, COUNTERVAILING DUTIES AND SAFEGUARD DUTIES

Anti-dumping duties, Countervailing duties and Safeguard duties are measures undertaken by the Malaysian government to protect local industries.

- Understanding Material Injury
- Making an application to MITI
- Assisting in the investigation
- Follow-up and Approval

THE WINDFALL PROFIT LEVY & THE GOODS VEHICLE LEVY

The Windfall Profit Levy is a levy imposed on crude palm oil and crude palm kernel oil. The price of locally produced crude palm oil and crude palm kernel oil per metric tonne is based on the monthly price published by the Palm Oil Board. Any profit in excess of the price will be subject to a windfall profit levy.

The Goods Vehicle Levy is levied on goods vehicles leaving or entering Malaysia (to and from neighbouring countries Singapore and Thailand). It is enforced by the Royal Malaysian Customs Department at the point of entry / exit.

SALES TAX AND SERVICE TAX AUDITS

The Customs Department plans to conduct audits on sales tax licensees and service tax licensees until 31 December 2017. The provisions of the Sales Tax Act 1972 and the Service Tax Act 1975 are enforceable until December 2017.

Clients who have been licensed under the Sales Tax Act 1972 or the Service Tax Act 1975 up to 31 March 2015 are advised to be prepared for a Sales Tax or Service Tax Audit.

- Advising clients on how to handle Sales Tax Audits/ Service Tax Audits
- Acting as a Tax Agent for clients

INDIRECT TAX PLANNING

- GST Planning for various sectors
- Indirect Tax Planning
 - Manufacturers, Retailers, Distributors
 - Importers and Exporters
 - Any company planning to locate its business in Malaysia
 - All companies dealing with Customs

HEALTH CHECKS (COMPLIANCE REVIEWS)

- Health checks for importers, exporters, trading companies, International Procurement Centres and Regional Distribution Centres
- Specialised health checks for manufacturing companies
- Health checks for GST registered businesses especially
 - Those claiming Refund of GST
 - Businesses enjoying the Approved Trader Scheme and the Approved Toll Manufacturer Scheme
 - Companies in the Free Industrial Zones and LMWs

IN-HOUSE TRAININGS

- All aspects of GST
- Malaysian Customs procedures
- Excise procedures
- GST impact on FIZs and FCZs
- Customs procedures affecting FIZs and FCZs
- Impact of the FTAs on Malaysian companies
- Anti-dumping duties, Countervailing duties, Safeguard duties
- GST and Import-Export Procedures affecting Malaysian companies
- Specialised GST and Customs procedures training for shipping and logistics personnel/ companies
- Any other aspect of Indirect Tax

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