

New Tax Code Update

With upgrading to version 730 onward

1) GST \rightarrow GST Code \rightarrow Click on "Update GST Tax Code Wizard"

🖉 GST Code Maintenance		
GST Code		+ Pre <u>v</u> ious
Details Attachments		➡ Ne <u>x</u> t
Tax Code :	Default Inactive	🔳 <u>S</u> ave
Transaction Type	Input Tax	(∰ <u>D</u> elete
Tax Type Description :	×	<u> </u>
Description :		Q Search
Tax Category:	Standard-Rated	Review
Default GST Rate (%)	6 8 C 0 2	Update GST Tax Code
GST Posting Account		Wizard
Tax Class	▼	
Input Tax Code		
Output Tax Code	✓	

Click "Next" to Update new Tax Code.





2) Click "Update Description" for Tax Code AJP, AJS, GS, IM, TX-RE & ZRE.

Code Update Witard Below tax code is recommended by Royal Malaysian Customs Department Tax Code - AJS Tax Description
Tax Description
Any adjustment made to Dutput Tax
Description
This refer any adjustment made to output its. Threes include longs per more than 6 months 'other output law adjustment's such as patiell even output tax on Bad D bbt Recovered (AR only) has to declare the value return. Please refer to APENDX5 for more details on specification for applicable for credit/debit note)
The tax code description is recommended to update.
Updete Description

Tax Code Update Wizard		
elow tax code is recommended by Royal Mala	ian Customs Department	
ax Code - GS		
ax Description		
Disregarded supplies		
escription		
under GST legislation. These supplies include within warehouses under the Warehousing S	upply of goods or services between eme, supply of goods by a principal (
he tax code description is recommended to up	ste.	
Update Description		Skip

Any adjustment made to 0	utput Tax		
escription			
more than 6 months & othe output tax on Bad Debt Re	r output tax adjustments such as p covered (AR only) has to declare ENDIX 5 for more details on speci	longer period adjustment, bad debt partial exemption adjustments. The C the value of this B ad Debt under fie fication for partial exemption adjustm	iST registrant who account the Id (5b), and field (18) of GST-03
he tax code description is n	ecommended to update.		
Update Description			<u>S</u> kip
			[
	rd nded by Royal Malaysian Custom	s Department	1
Below tax code is recomme		s Department	
Below tax code is recomme		s Department	
Below tax code is recomme	nded by Royal Malaysian Custom	s Department	
Tax Code - IM	nded by Royal Malaysian Custom	s Department	
Relew tax code is recomme Fax Code - IM ax Description GST incurred for import of Description This refers to all goods in includes cot all goods in includes cot all goods in No. 1 (K1), and other refer Storage in a licensed was	nded by Royal Malaysian Custom f goods potted into Malaysia which are su and freight plus the customs duly rence document). This tax code	bjact to GST. The GST amount is payable (if any) that based on the is applicable for all GST registrant win ported by GST registrant which is an	calculated on the value which poot declaration form (Customs Form less the imported equate are for

×

<u>S</u>kip

Update Description



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Tax Code Update Wizard Below tax code is recommended by Royal Malaysian Customs Department	
Tax Code - TX-RE	
Tax Description GST incurred that is not directly attributable to taxable or exempt supplies	
Description	
This is only applicable to GST registered todar that males both texche and exempt supplies (or commonly known as partially events thade/inited supplier). This refers to GST incursed that is not directly attributable to the making of taxable on exempt supplier (or commonly known as residual attract text). However, a mixed supplier can claim the full anount of the residual input tax incursed if the commonly known as residual registered. Taxable text and the claim the full anount of the residual input tax incursed if the commonly. The example is but has residual input tax on operation overhead for a development of mixed appetity (properties that including residential and commercial). Please refer to APPENDIX'S for more details on specification for partial exemption.	
The tax code description is recommended to update.	
Update Description	

Description		
goods is supported with Cus name and address in overse rated if the services is attach	ms No.2 Form (K2) which stated the supplier n s recipient as the consignee. Besides that, the with supporting documents such as invoice for	ly of goods that quality for zero-rate if the movemen ame and address a the consigner and the recipient supply of services will fail within the description of an international services. Examples includes sale is lue of this export under field (11) of GST-03 return.
I The tax code description is rec	mmended to update.	

3) Click "Set Inactive" for Tax Code IMO-SVC and replace with Tax Code TX-SVC

2 Tax Code Update Wizard	×
Below tax code is recommended by Royal Malaysian Customs Department	
Tax Code - IM0-SVC	
Tax Description	
GST incurred for import of goods.	-
Description	
GST incurred for import of services	
Tax Code is not using anymore. It is recommended to set the taxcode to inactive.	_
Set Inactive Skip	



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4) Click "Update Tax Code" to replace Tax Code TX-N43 to TX-ES.

🖉 Tax Code Update Wizard	×
Below tax code is recommended by Royal Malaysian Customs Department	
Tax Code - TX-ES	
Tax Description	
GST incurred directly attributable to non-incidental exempt supplies	
Description	
This refers for transactions involving the payment of input tax attributable to the incidental exempt financial supplex as input tax attributable to taxable supplex. This means that the registered person is entitled to daim any not tax that is attributable to the making of the following incidental exempt financial supplex. Example of usage for this tax code are such as purchased a security box for the accounts clerk to deposit daily earnings of the company in a bank, hinging of security firm to transfer/deposit money into financial institutions (bank), sells lots of shares through a remisier and GST charged on the commission, and incurred GST on the legal agreements and other expenses related to a financial loans. (Note: Replace TX-E43)	
A similar "TX-N43" was created in your previous version to handle same situation. Since the new tax code "TX-ES" is now recommended by Royal Customs Department, its recommended to replace this tax code "TX-N43" to "TX-ES".	
Update Tax Code Skip	-

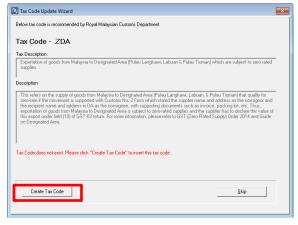
Click "Update Tax Code" to replace Tax Code ES43 to IES

w tax code is recommended by « Code - IES	Royal Malaysian Customs Department
Description	
ncidental Exempt supplies	
cription	
ader/mixed supplier. Incidental usiness of making the financial iterest income from deposits pla iclude factoring receivables, an	de under incidental exempt supplies and applicable for wholly taxable supplier and partially exempt seempt suppli or a suppli of hancial environment may be applied person who is not in the services. Incidental Exempt Supplies as prescribed in Reg. 40, GST Regulations 2014 that include and whi a financial inclution in Malguis, interest recorrisof from large provides also f realized forsign exchange gains. The supplier may declare the value of this incidental exempt return. Noter. Receive ES430
upply under held (12) of GST-03	tours (real replace Land)
imilar "ES43" was created in yo	return (rvoe, replace Luso) a previous version to handle same situation, w recommended by Royal Customs Department, its recommended to replace this tax

Click "Update Tax Code" to replace TX-E43 to TX-IES

📿 Tax Code Update Wizard	
Below tax code is recommended by Royal Malaysian Customs Depar	tment
Tax Code - TX-IES	
Tax Description	
GST incurred directly attributable to incidental exempt supplies	
Description	
attibutable to taxable supplies. This means that the registered per making of the following incidental exempt financial supplies. Exam box for the accounts clerk to depart daily earnings of the compan financial institutions (bark), soles lot of shares through a reminiser legal agreements and other expenses related to a financial loans. I	ple of usage for this tax code are such as purchased a security yin a bank, hitting of security firm to transfer/deposit money into a dST charged on the commission, and incurred GST on the Note: Replace TX-E43
A similar "TXE43" was created in your previous version to handle sa Since the new tax code"TX-IES" is now recommended by Royal Cu- code "TX-E43" to "TX-IES".	
Update Tax Code	Skip

Click "Update Tax Code" to replace Tax Code ZDA

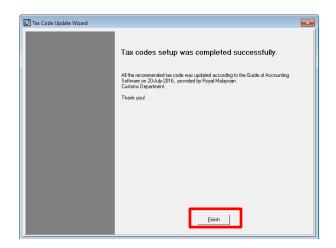


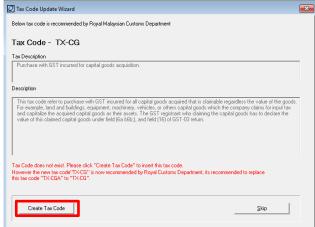


5) Click "Create Tax Code" for Tax Code RP, TX-CG

C Tax Code Update Wizard	🖉 Tax Code Update Wizard
Below tax code is recommended by Royal Malaysian Customs Department	Below tax code is recommended by Royal Ma
Tax Code - RP	Tax Code - TX-CG
Tax Description	Tax Description
Relief purchase under GST legislations. (e.g. Ron 95 petrol & Diesel)	Purchase with GST incurred for capital goo
Description	Description
This refers to purchase of goods which given relief from charging and payment of GST. Example for this tax code are purchase of RDNSS petrol, desel and other relief supply that been given relief from GST as prescribed under GST [Relief] Drider 2014.	This tax code refer to purchase with GST in For example, land and buildings, equipment and capitalize the acquired capital goods value of this claimed capital goods under fir
Tax Code does not exist. Please click "Create Tax Code" to insert this tax code.	Tax Code does not exist. Please click "Create However the new tax code"TX-CG" is now re this tax code "TX-CGA" to "TX-CG".
Create Tax Code Skip	Create Tax Code

6. Click "Finish"







GST Tax Code Changes

Tax Code	Latest Description	Previous Description	Rate	GST Mapping	Remark
RP	This refers to purchase of goods which given relief from charging and payment of GST. Example for this tax code are purchase of RON95 petrol, diesel and other relief supply that been given relief from GST as prescribed under GST (Relief) Order 2014.	-	0%	-	New Tax Code
TX-CG	This tax code refer to purchase with GST incurred for all capital goods acquired that is claimable regardless the value of the goods. For example, land and buildings, equipment, machinery, vehicles, or others capital goods which the company claims for input tax and capitalize the acquired capital goods as their assets. The GST registrant who claiming the capital goods has to declare the value of this claimed capital goods under field (6a &6b;), and field (16) of GST-03 return	Purchase with GST incurred at 6% and directly attributable to taxable supplies.	6%	6a	Replace TX-CGA
ZDA	This refers on the supply of goods from Malaysia to Designated Area (Pulau Langkawi, Labuan, & Pulau Tioman) that qualify for zero-rate if the movement is supported with Customs No. 2 Form which stated the supplier name and address as the consignor and the recipient name and address in DA as the consignee, with supporting documents such as invoice, packing list, etc. Thus, exportation of goods from Malaysia to Designated Area is subject to zero-rated supplies and the supplier has to declare the value of this export under field (10) of GST-03 return. For more	-	0%	10	New Tax Code



	information, please refer to GST (Zero-Rated Supply)				
	Order 2014 and Guide on Designated Area.				
TX-IES	This refers for transactions involving the payment of input tax attributable to the incidental exempt financial supplies as input tax attributable to taxable supplies. This means that the registered person is entitled to claim any input tax that is attributable to the making of the following incidental exempt financial supplies. Example of usage for this tax code are such as purchased a security box for the accounts clerk to deposit daily earnings of the company in a bank, hiring of security firm to transfer/deposit money into financial institutions (bank), sells lots of shares through a remisier and GST charged on the commission, and incurred GST on the legal agreements and other expenses related to a financial loans. (Note: Replace TX-E43)	GST incurred directly attributable to incidental exempt supplies		6a, 6b	Replace TX-E43
IES	This refers to exempt supplies made under incidental exempt supplies and applicable for wholly taxable supplier and partially exempt trader/mixed supplier. Incidental exempt supply is a supply of financial services made by a registered person who is not in the business of making the financial services. Incidental Exempt Supplies as prescribed in Reg. 40, GST Regulations 2014 that include interest income from deposits placed with a financial institution in Malaysia, interest received from loans provided to employees also include factoring receivables, and realized foreign exchange gains. The supplier may declare the value of this incidental exempt supply under field (12) of GST-03	Incidental Exempt supplies	0%	12	Replace ES43



	return. (Note: Replace ES43)				
IM	This refers to all goods imported into Malaysia which are subject to GST. The GST amount is calculated on the value which includes cost, insurance and freight plus the customs duty payable (if any) that based on the import declaration form (Customs Form No. 1 (K1), and other reference documents). This tax code applicable for all GST registrant unless the imported goods are for storage in a licensed warehouse or Free Trade Zone, or imported by GST registrant which is approved person under special scheme such as Warehouse Scheme, or Approved Trader Scheme.	GST incurred for import of goods	6%	6a, 6b	Update Description
AJP	 Any adjustment made to Input Tax such as bad debt relief, and other input tax adjustments such as longer period adjustment and partial exemption adjustments. The GST registrant who claiming the Bad Debt Relief (AR only) has to declare the value of this claimed Bad Debt under field (6b), and field (17) of GST-03 return. Please refer to APPENDIX 5 for more details on specification for partial exemption adjustments. (This tax code is NOT applicable for credit/debit note). (Note: For more information on input tax credit, disallowance input tax, out of scope purchase, please refer to Guide on Input Tax Credit. Please refer to GST legislations (GST Acts 2014, GST Regulations 2014, GST (Exempt Supply) Order 2014) and Specific Guide (Guide on Partial Exemption & Guide on Input Tax Credit) for details on apportionment and de minimis rule.) 	Any adjustment made to Input Tax	6%	6b	Update Description



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TX-RE	This is only applicable to GST registered trader that makes both taxable and exempt supplies (or commonly known as partially exempt trader/mixed supplier). This refers to GST incurred that is not directly attributable to the making of taxable or exempt supplies (or commonly known as residual input tax). However, a mixed supplier can claim the full amount of the residual input tax incurred if the amount of exempt supply fulfilled the de minimis rule. Otherwise, he is required to apportion the residual input tax incurred accordingly. The example is such as residual input tax on operation overhead for a development of mixed property (properties that including residential and commercial). Please refer to APPENDIX 5 for more details on specification for partial exemption.	GST incurred that is not directly attributable to taxable or exempt supplies	6%	16	Update Description
ZRE	A GST registered supplier can zero-rated (i.e. charging GST at 0%) the supply of goods that qualify for zero- rate if the movement of goods is supported with Customs No.2 Form (K2) which stated the supplier name and address as the consignor and the recipient's name and address in overseas recipient as the consignee. Besides that, the supply of services will fall within the description of zero-rated if the services is attach with supporting documents such as invoice for an international services. Examples includes sale of air- tickets, and international freight charges. The supplier has to declare the value of this export under field (11) of GST-03 return.	Zero-rated supplies	0%	11	Update Description
GS	In certain circumstances, a taxable supply may be	Disregarded supplies	0%	13	Update



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	disregarded for the purpose of GST. This refers to supplies which are disregarded under GST legislation. These supplies include supply of goods or services between members of a GST group, supply of goods within warehouses under the Warehousing Scheme, supply of goods by a principal who is a taxable person to an agent who is acting in his own name as an auctioneer or others disregard supplies under GST legislation. The value of disregarded supplies has to be declare under field (13) of GST-03 return.				Description
AJS	This refer any adjustment made to output tax. These include longer period adjustment, bad debt recovered, outstanding invoices more than 6 months & other output tax adjustments such as partial exemption adjustments. The GST registrant who account the output tax on Bad Debt Recovered (AR only) has to declare the value of this Bad Debt under field (5b), and field (18) of GST-03 return. Please refer to APPENDIX 5 for more details on specification for partial exemption adjustments. (This tax code is NOT applicable for credit/debit note)	Any adjustment made to Output Tax	6%	5b	Update Description