Malaysia Goods & Services Tax [GST]

User Guide

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IMPORTANT NOTE:

The minimum requirement for GST handling and reporting will be Sage UBS Accounting & Billing systems.

Entering GST Registration Details

Setting up the GST registration details is important as it sets the system to enable GST functions for your transactions and produce reports for submission as required.

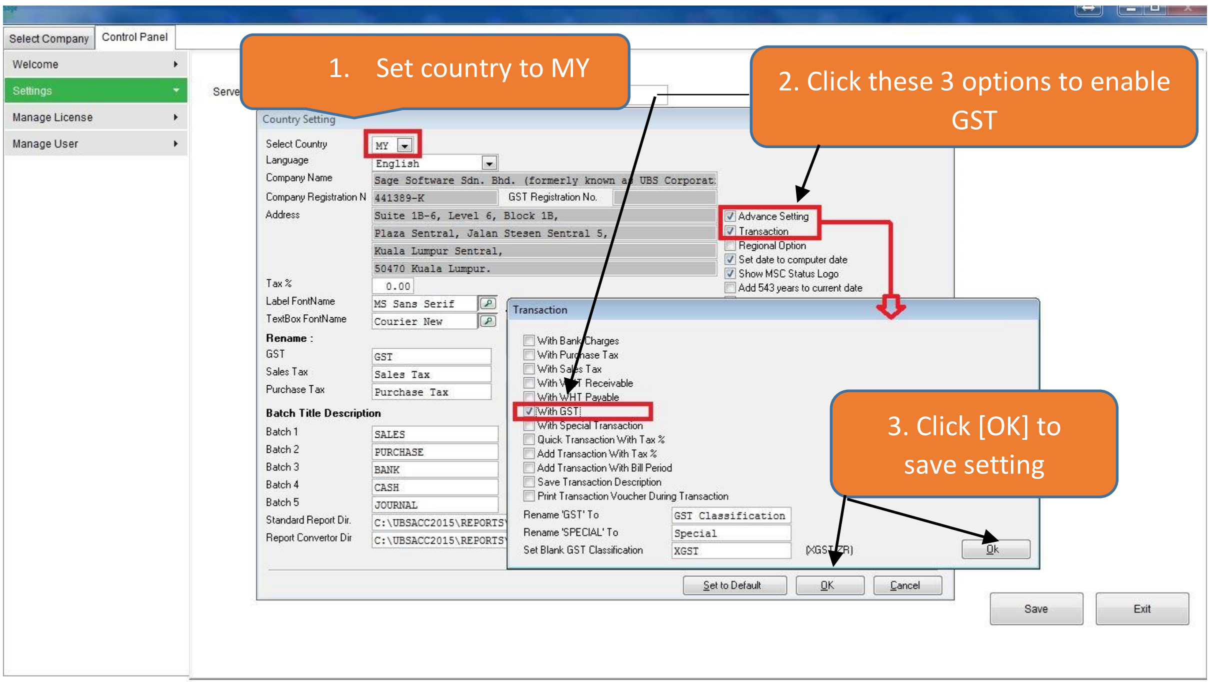
GST Setting

GST setting is required in both modules:

a. Sage UBS Accounting
b. Sage UBS Inventory & Billing

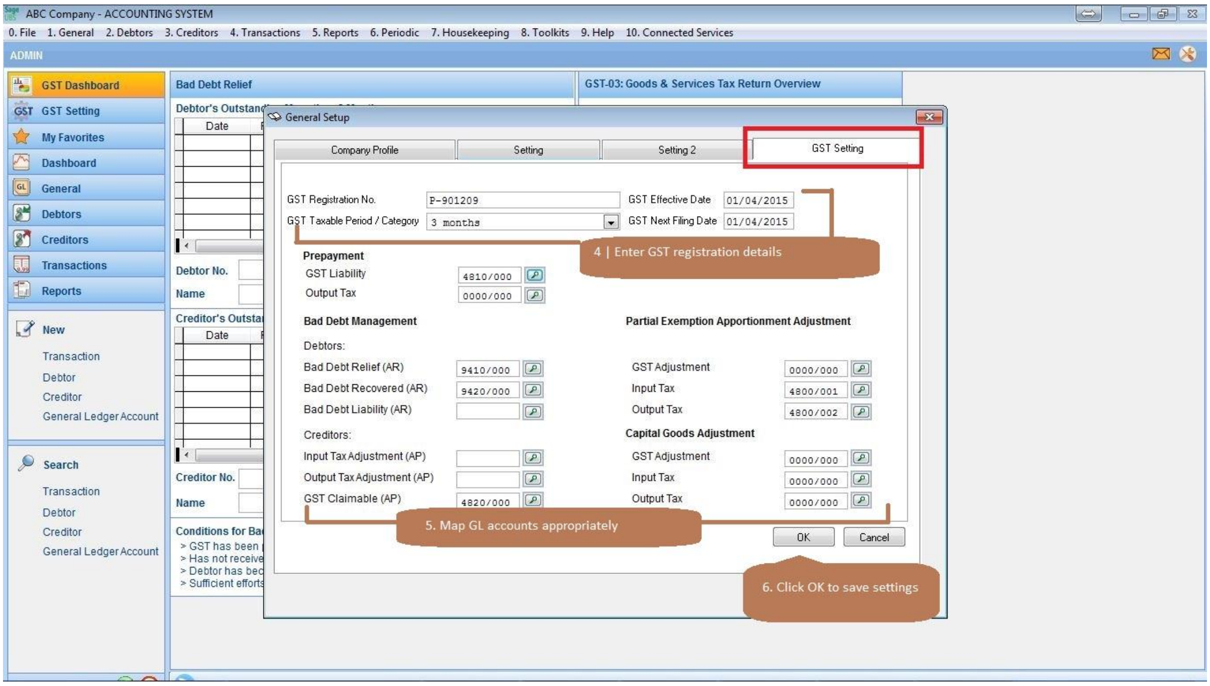
Sage UBS Accounting

Turn on GST Setting as per steps provided in the screen shot below.



Step	Field name	Description
1-3	Enable GST	1. Click on **Setting** button at the login screen
		2. Select **MY** at Country field
		3. Tick **Advance Setting** option to display option list
		4. Tick **Transaction** option to display pop-up options
		5. Tick **With GST** option to enable the GST functions
		6. Click **OK** button to save settings

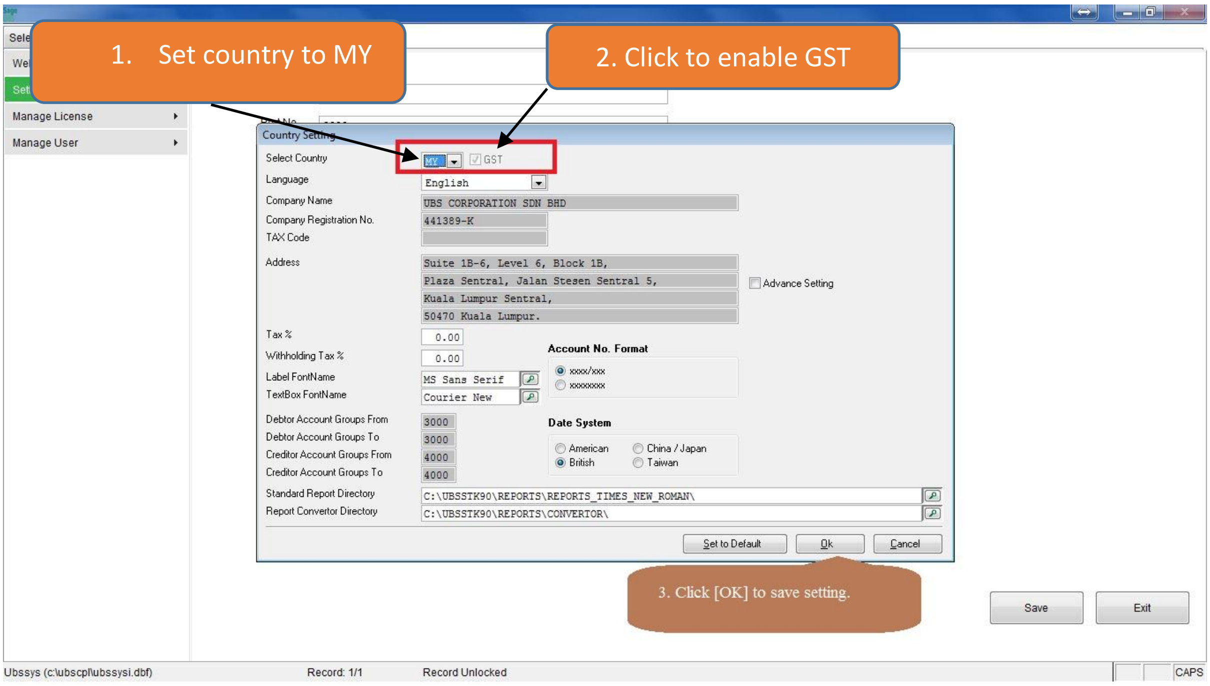
Steps to enter GST Registration details in GST Setting via General Setup:-



Step	Field Name	Description
4	Enter GST Registration Details	7. Go to Housekeeping > Setup > General Setup > GST Setting tab 8. The GST Setting screen comes in two[2] parts: **<u>GST Registration details</u>** ~ GST Registration No. ~ GST Effective Date ~ GST Taxable Period / Category ~ GST Next Filing Date **<u>Mapping of GL Accounts for GST reporting</u>** **9.** Map relevant GL accounts appropriately into the respective fields for correct GST reporting and audit
4a	GST Registration No.	This is a 16-character alphanumeric field for the GST Registration No. provided by the authority.
4b	Effective Date	10. This is the approved registration date 11. Date is defaulted to 01/04/2015 if tax authority selected is Malaysia [GST effective date as announced in 2014 Budget] 12. Date will be defaulted to system/today's date if tax authority selected is other country. 13. Able to change, if required
4c	GST Taxable Period/Category	14. This is to set the periodic submission for GST Returns as approved by the authority. 15. The two available categories are: 1. Category A > 1 month for monthly submission 2. Category B > 3 month for quarterly submission
4d	GST Next Filing Date	16. This is to set the start date for filing GST Returns 17. Date is defaulted to 01/04/2015 if tax authority selected is Malaysia [as announced in 2014 Budget] 18. Date is defaulted to system/today's date if tax authority selected is Singapore 19. Able to change, if required
5	GL Accounts mapping	20. Mapping of GL accounts is an important process to ensure correct GST financial treatment for each section; and reporting to match against GST-03 Return
6		21. Click [Save] icon to save the record

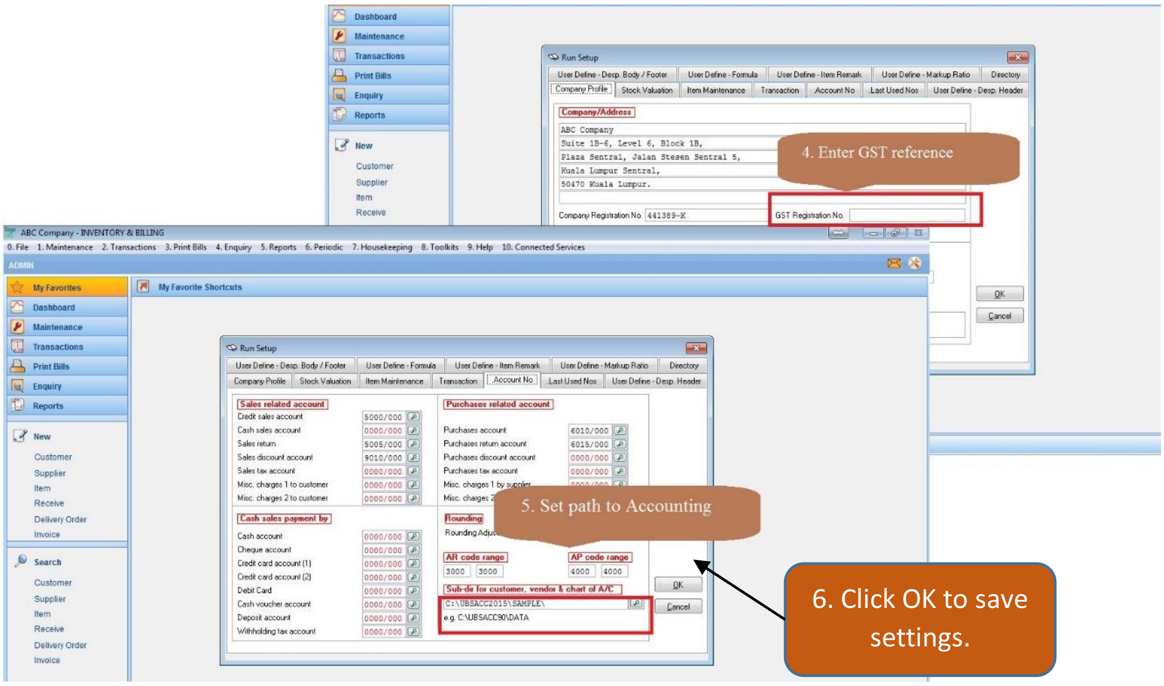
Sage UBS Inventory & Billing

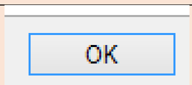
Turn on GST Setting as per steps provide in the screen shot below.



Step	Action	Description
1-3	Enable GST	22. Click on **Setting** button at the login screen 23. Select **MY** at Country field 24. Tick **GST** option to enable GST function set 25. Click **OK** button to save settings

Steps to enter GST Registration details in GST Setting via General Setup:-



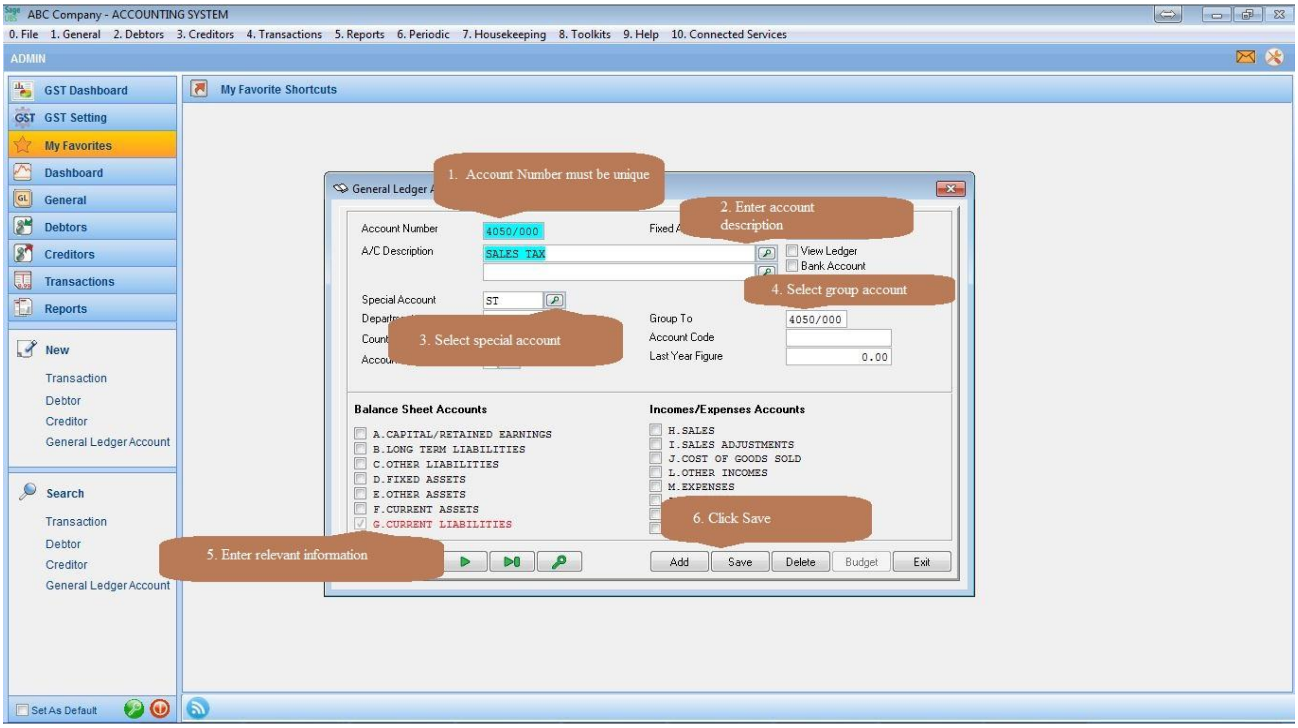
Step	Tab	Description
4	Company Profile	26. Input GST registration reference in the GST Registration No. field
5	Transaction tab	27. Set the path to update billing information into accounting system
6		28. Click **OK** button to save settings

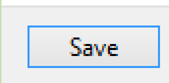
Essential GL accounts for GST reporting

There are eight [8] essential GL accounts to be maintained in the system to handle GST-03 Return reporting requirement. They are:

No.	Account Number	Account type
1	GST Input Tax	Balance Sheet
2	GST Output Tax	Balance Sheet
3	GST Control Account	Balance Sheet
4	GST Expense	Profit & Loss
5	GST Liability [AR]	Balance Sheet
6	GST Claimable [AP]	Balance Sheet
7	GST Bad Debt Relief	Profit & Loss
8	GST Bad Debt Recovered	Profit & Loss

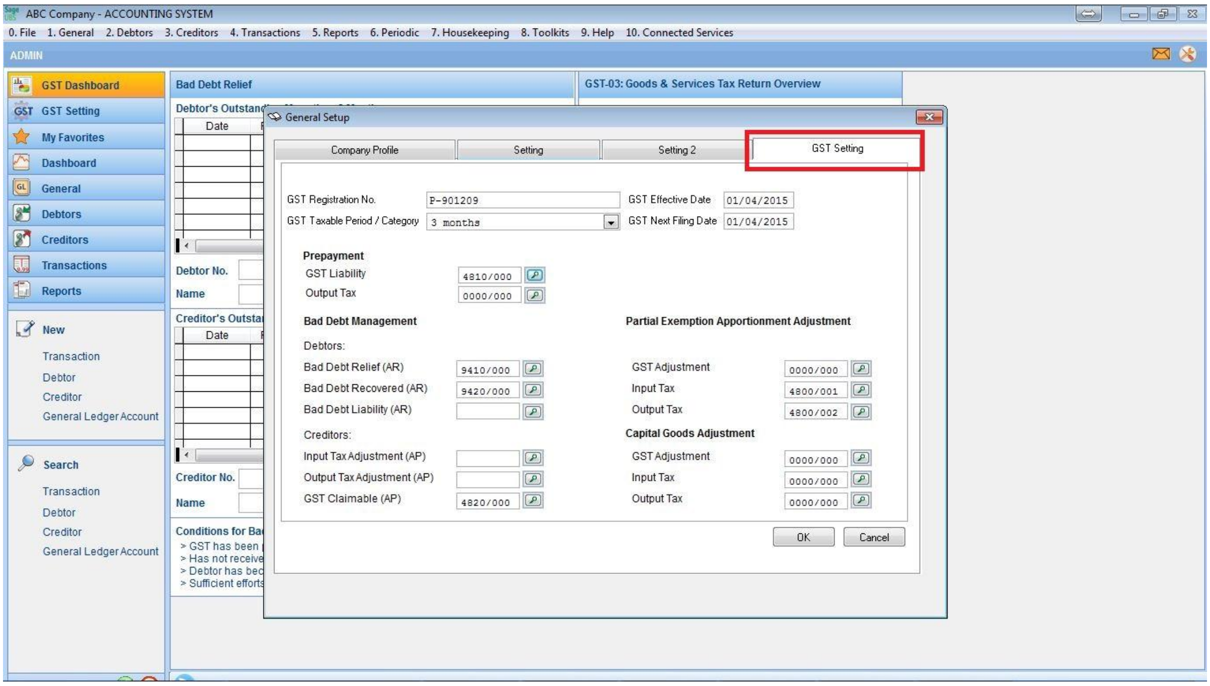
GL Accounts Maintenance



Step	Field name	Description
1	Account Number	This is a 7-character alphanumeric field for GL Account ID
2	A/C Description	This is a 40-character text field for GL account name
3	Special Account	Select appropriate Special Account, PT or ST, for the new GL account being created to cater for GST-03 Return reporting
4	Group To	Select appropriate GL account that serves as a main account to group the new GL account being created
5	Account Type	Select the appropriate account type for the new GL account to be created
6		29. Click [Save] button to save the record

Once the essential GL accounts have been created in the system, proceed to Accounting Settings to map the relevant GL accounts.

Mapping of default GST GL accounts in General Setup



Maintenance

Tax maintenance

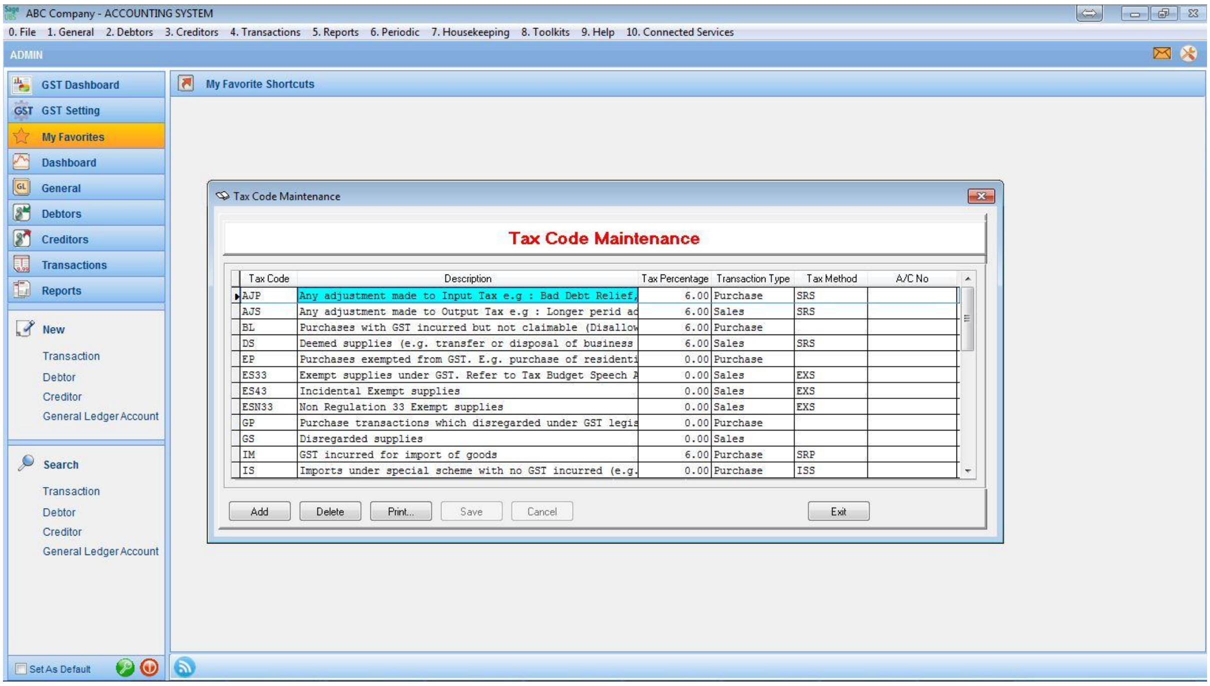
A set of tax codes for purchase and supply is made available in the system for direct application to ensure correct tax code set to apply; as well as save time and cost.

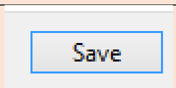
Nonetheless, this tax maintenance function allows user to set up additional tax codes required.

Notes:

1. **It is important to ensure tax code(s) maintained manually must exist in BOTH Sage UBS Accounting and Sage UBS Inventory & Billing systems, to ensure correct updating of records and report output**
2. **A/C No. mapping process MUST also be done separately in both systems**

Steps to set up Tax codes:



Step	Field name	Description
1	Tax code	30. This is a 8-characters field for tax code
2	Description	This is a 40-characters text field for input of the tax description
3	Tax%	Set the percentage to apply for this tax code. System will use this percentage value to auto calculate the tax value during entry
4	Transaction Type	Select either sales or purchase for this tax code for apply 31. Purchase means this tax code is only applicable for use in entries under the purchase module 32. Sales means this tax code is only applicable for selection in entries under the sale module
5	Tax Method	33. This is meant for GST Returns [GST-03] filing 34. Select appropriate tax type for this tax code to ensure correct reporting in the respective fields in GST Returns [GST-03] 35. The reporting fields in GST-03 are: 1. Standard Rated Supply 2. Standard Rated Purchase/Acquisition 3. Zero Rated Supplies 4. Export Supplies 5. Exempt Supplies 6. Supplies Granted GST Relief 7. Goods Imported under ATS 8. Capital Goods Acquired 9. Bad Debt Relief / Bad Debt Recovered
6	A/C No.	Select the GL account where this tax value should be posted to in accounting
7		36. Click [Save] button to save the record

Reason Maintenance

In compliance with the GST legislation, all adjustment on posted transactions are to be handled via the issuance of a Credit Note or Debit Note with appropriate reason given and linked to the original document. Thus, Reason Code is maintained in Sage UBS Inventory & Billing system.

In addressing the need for proper analysis and meeting GAF reporting requirement, Reason Code maintenance is introduced to ensure consistency and standard reason code application to the transactions.

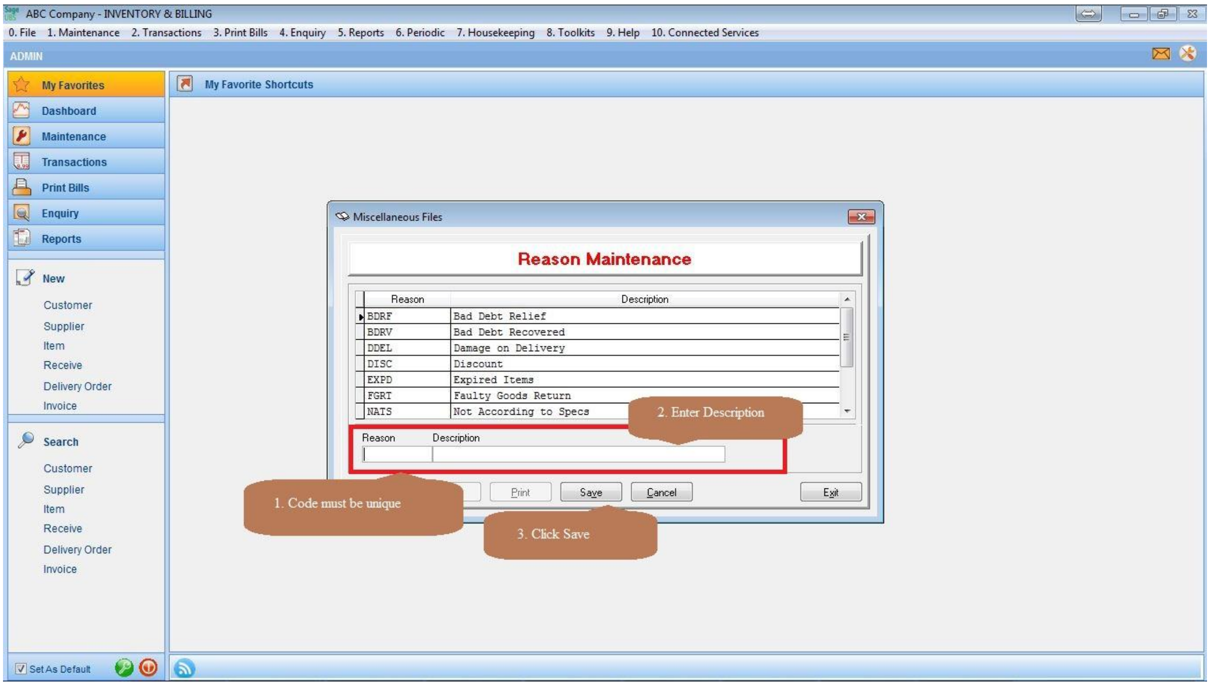
This is seen as far more favourable compared to a free text input which deters proper reporting and analysis to be processed when required.

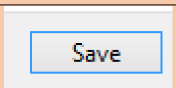
Ten default reason codes are provided in the system for immediate use to give user a quick start-off. They are:

Reason	Description
BDRF	Bad Debt Relief
BDRV	Bad Debt Recovered
DDEL	Damage on Delivery
DISC	Discount
EXPD	Expired Items
FGRT	Faulty Goods Return
NATS	Not According to Specs
PRAD	Price Adjustment
WIDV	Wrong Item Delivered
WRCL	Warranty Claim

More reason codes could be added and maintained in the system for use.

Steps to enter Reason Code maintenance:



Step	Field name	Description
0	**Note**	37. This reason code is to be applied to any Credit Note and Debit Note issued for adjustment against the original bill 38. Maintaining Reason Code for application will ensure consistency and allows for better analysis on data when required 39. This reason information will be captured into the GAF report when generated
1	Reason	40. This is a 8-characters field for reason code
2	Description	41. This is a 40-characters text field for reason description
3		42. Click [Save] button to save the record

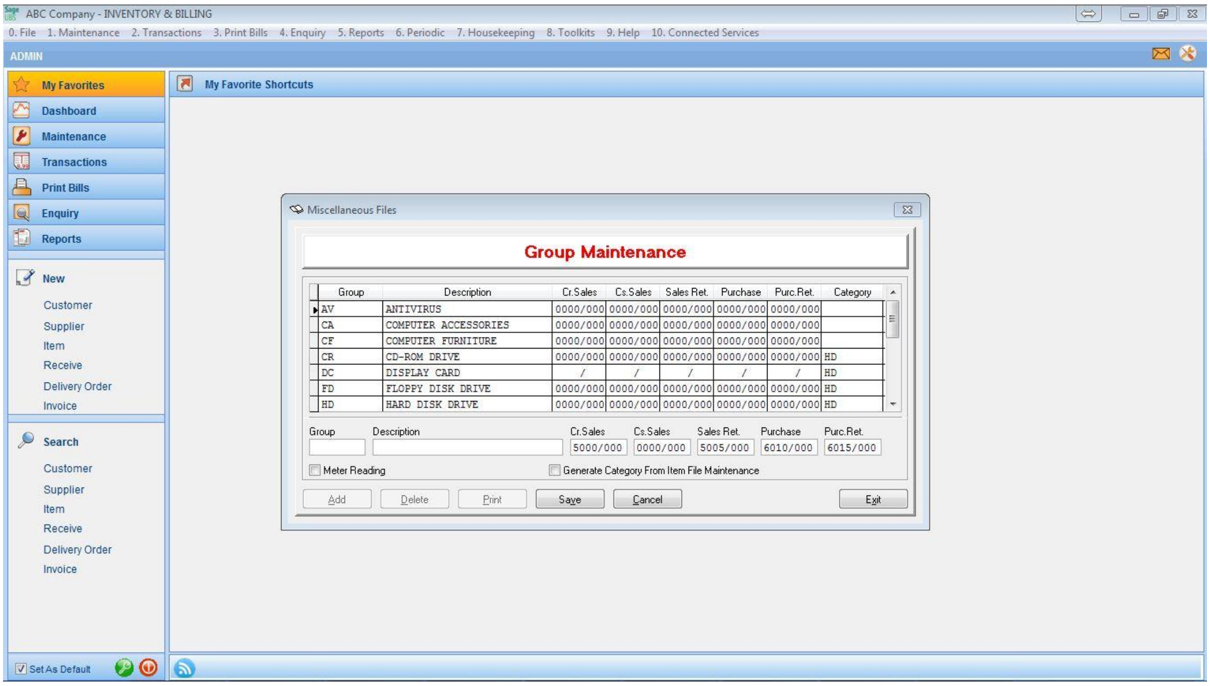
Mapping of tax codes for GST reporting

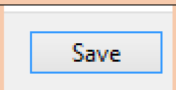
Item Group Maintenance

Two new fields are added to cater for GST handling in purchase and sales entries:

43. Default Purchase Tax Code
44. Default Sales Tax Code

Steps to set default tax codes in item Group:-



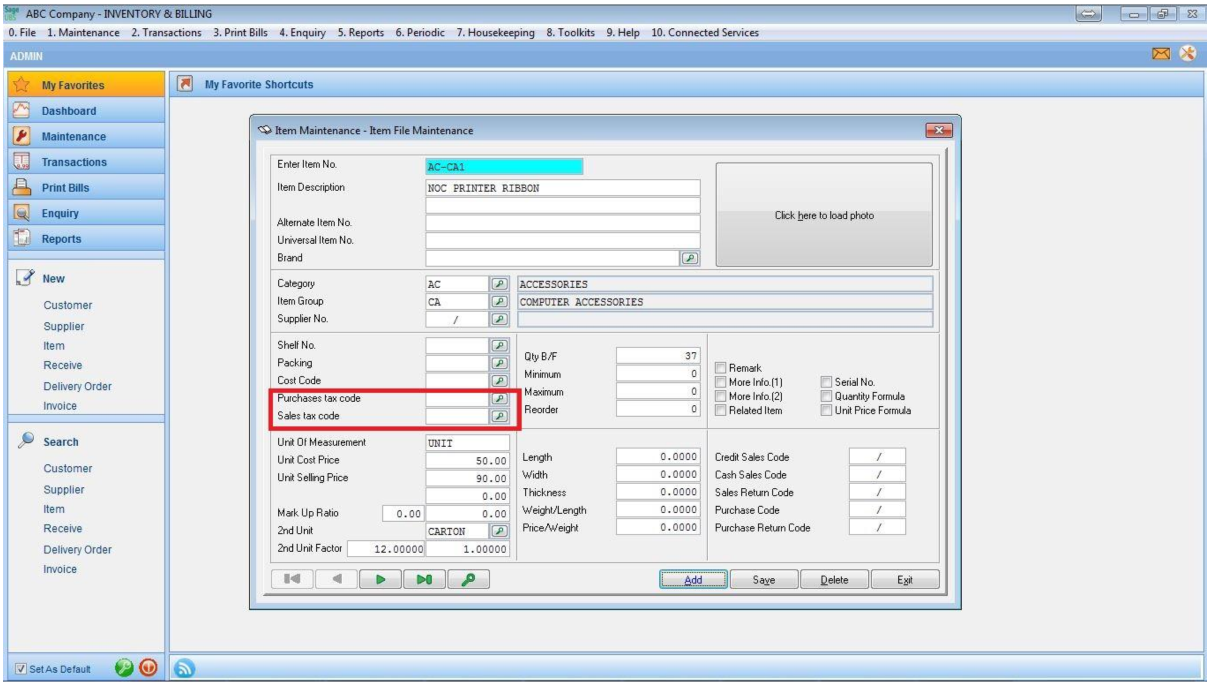
Step	Field Name	Description
1	Default Purchase Tax Code	45. This is to set the default tax code to use for entries processed in purchase module 46. Those GST Tax Code for Purchase proposed by Customs and required for GST Returns submission are made available in the dropdown list for immediate use 47. The tax percentage set in the tax code will be used for calculating the input tax value 48. Able to add new tax code at Tax Maintenance, if required
2	Default Sales [Supply] Tax Code	49. This is to set the default tax code to use for entries processed in sales module 50. Those GST Tax Code for Supply proposed by Customs and required for GST Returns submission are made available in the dropdown list for immediate use 51. The tax percentage set in the tax code will be used for calculating the output tax value 52. Able to add new tax code at Tax Maintenance, if required
3		Click [Save] button to save the record
	Notes	a. Selection at tax codes are applicable only when creating new item group b. Appropriate tax code will have to be manually assigned to existing item group(s) maintained prior to the addition of these tax codes

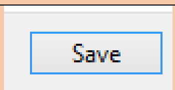
Item File Maintenance

Two new fields are added to cater for GST handling in purchase and sales entries:

53. Default Purchase Tax Code
54. Default Sales Tax Code

Step to set default tax codes for item:-

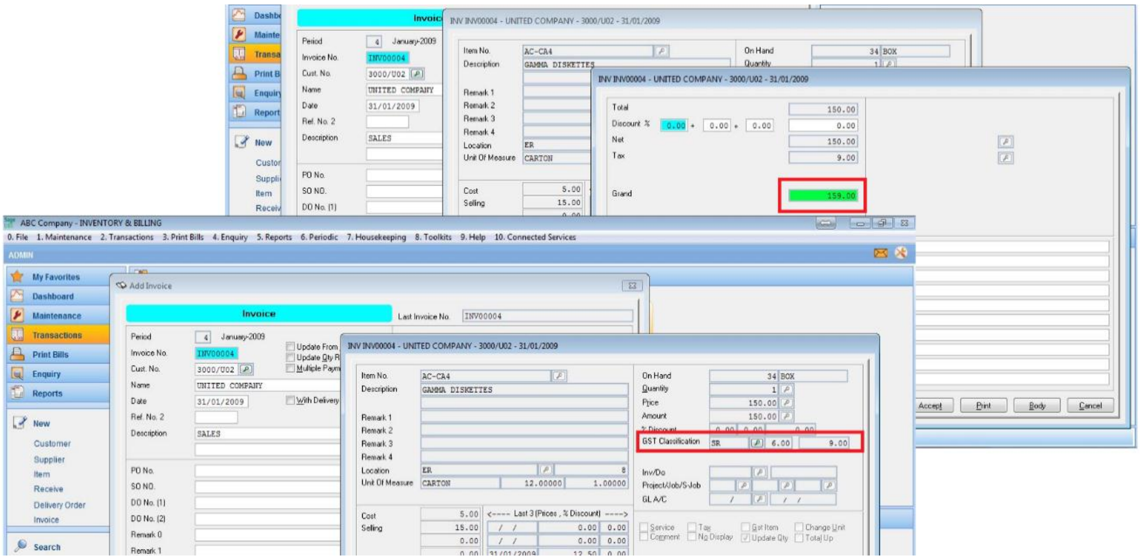


Step	Field name	Description
0	Notes	55. If the item is linked to an item group where tax codes have been mapped, those tax codes will be defaulted onto these two fields accordingly 56. Able to change tax code for item level, if necessary
1	Purchase Tax Code	57. This is to set the default tax code to use for entries processed in purchase module 58. Those GST Tax Code for Purchase proposed by Customs and required for GST Returns submission are made available in the dropdown list for immediate use 59. The tax percentage set in the tax code will be used for calculating the input tax value 60. Able to add new tax code at Tax Maintenance, if required
	Sales Tax Code	61. This is to set the default tax code to use for entries processed in sales module 62. Those GST Tax Code for Sales proposed by Customs and required for GST Returns submission are made available in the dropdown list for immediate use 63. The tax percentage set in the tax code will be used for calculating the output tax value 64. Able to add new tax code at Tax Maintenance, if required
2		Click [Save] button to save the record

*** End of Mapping of tax codes section ***

Transaction

Sales Invoice



Header section #1 > Header tab

No	Field Name	Description
1.1	Invoice No.	This is a 8-characters text field for input of SI number
1.2	Customer	Click on the browser to select the customer whom the Sales Invoice is to be issued **Note:** New customer can be created on-the-fly from the pop-up window
1.3	Update documents	65. May tick to select related document to update to the sales invoice
1.4	Delivery Address	66. Tick **With Delivery Address** and tick **Change Delivery Address** to select other delivery address to use for the sales invoice
1.5	Bill Terms	67. The default credit term set for the customer will be displayed accordingly 68. Can change if necessary for this sales invoice
		69.

Body section

Col	Field Name	Description
2.1	Item Code	70. Click on the browser to select the item to sell
2.2	Description	71. The item description will be auto displayed
2.3	Quantity	72. Defaulted to “1” 73. To change, click on the field and key in the value manually
2.4	UOM	74. Defaulted as per value set in the item maintenance
2.5	Price	75. Defaulted as per unit price set in the item maintenance 76. To change, click on the field and key in the value manually
2.6	Amount	77. This field is not editable and the value is auto calculated from [quantity x price] 78. Changes made to quantity or price fields will update the value here

Body Section

Col	Field Name	Description
2.7	% Discount	- There are 3 levels of discount available in the system - Levels can be reduced via General Setup via Housekeeping provided no transaction exist - This set of discount is applicable in percentage, meaning an input of value 10 will represent “10%” and the discount value will be auto displayed in the last column
2.8	GST Classification	- The default tax code as maintained in Setting 2 tab of the Administrative Tool will be displayed - To change, click on the browser to select from the list of tax codes maintained in the system - The % and amount fields are not editable
2.9	Save	Click [Save] button to save the item and proceed with next item, if required. Else, click [Accept] button to confirm the whole sales invoice entry
2.10	Footer	Click on the [Footer] button to proceed to footer section

Footer section

Col.	Field Name	Description
3.1	Total	- This is the final total of the sales invoice - This field is not editable and the value is auto updated from item lines in Body section
3.2	print	Click **Print** button to print the sales invoice
3.3	Accept	Click **Accept** button to confirm the whole sales invoice entry

*** End of Sales Invoice section ***

Notes:

Similar entry steps and GST calculation will apply for Credit Note and Debit Note with reason code applied [refer Page 67].

Print Control

Print control is incorporated in compliance with GST ruling to ensure integrity of documents issued and printed to customers. It also serves as the supporting documents for reporting output tax and input tax in the GST Return Filing.

The print control will affect documents like Sales Invoice, Sales Credit Note an Sales Debit Note.

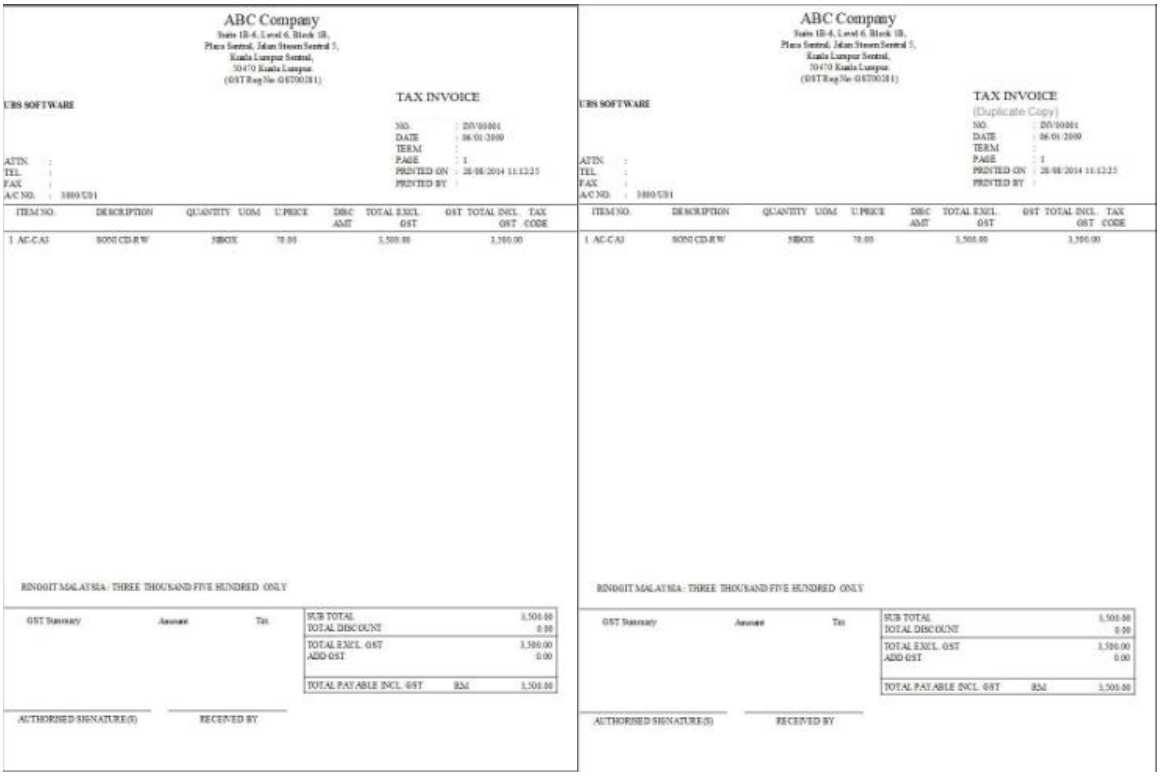
The print control rule is:

- First print of the document will be considered the only original copy
- Subsequent reprint of the document will carry the watermark "**Duplicate Copy**"

The print control is incorporated for the following documents:

- Tax Invoice
- Sales Credit Note
- Sales Debit Note

Samples on Tax Invoice for reference:


ABC Company
UBS SOFTWARE
TAX INVOICE
NO. : INV00001
DATE : 06/01/2009
TERM :
PAGE : 1
PRINTED ON : 28/08/2014 11:12:25
PRINTED BY :
ATTN :
TEL :
FAX :
ITEM NO. DESCRIPTION QUANTITY UOM U PRICE DISC AMT TOTAL EXCL. GST GST TOTAL INCL. GST TAX CODE
RINGGIT MALAYSIA : THREE THOUSAND FIVE HUNDRED ONLY
GST Summary Amount Tax
SUB TOTAL 3,500.00
TOTAL DISCOUNT 0.00
TOTAL EXCL. GST 3,500.00
ADD GST 0.00
TOTAL PAYABLE INCL. GST RM 3,500.00
AUTHORISED SIGNATURE(S)
RECEIVED BY
ABC Company
UBS SOFTWARE
TAX INVOICE
(Duplicate Copy)
NO. : INV00001
DATE : 06/01/2009
TERM :
PAGE : 1
PRINTED ON : 28/08/2014 11:12:25
PRINTED BY :
ATTN :
TEL :
FAX :
ITEM NO. DESCRIPTION QUANTITY UOM U PRICE DISC AMT TOTAL EXCL. GST GST TOTAL INCL. GST TAX CODE
RINGGIT MALAYSIA : THREE THOUSAND FIVE HUNDRED ONLY
GST Summary Amount Tax
SUB TOTAL 3,500.00
TOTAL DISCOUNT 0.00
TOTAL EXCL. GST 3,500.00
ADD GST 0.00
TOTAL PAYABLE INCL. GST RM 3,500.00
AUTHORISED SIGNATURE(S)
RECEIVED BY

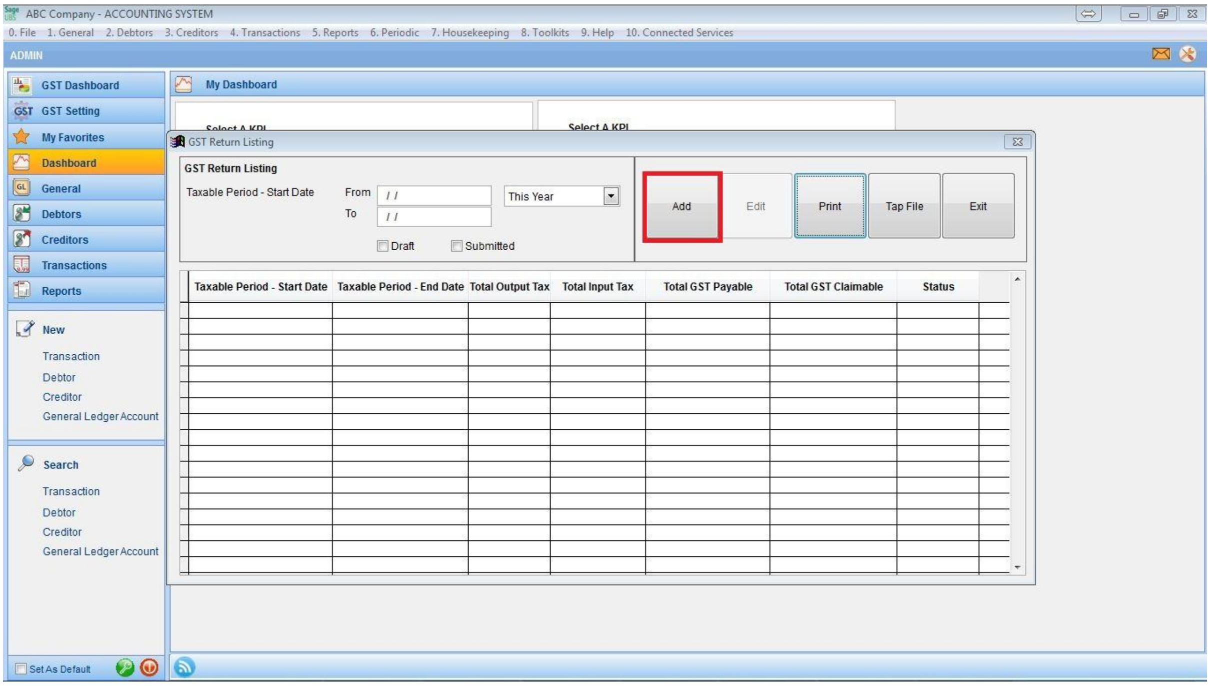
Reporting

GST Return Report [GST-03]

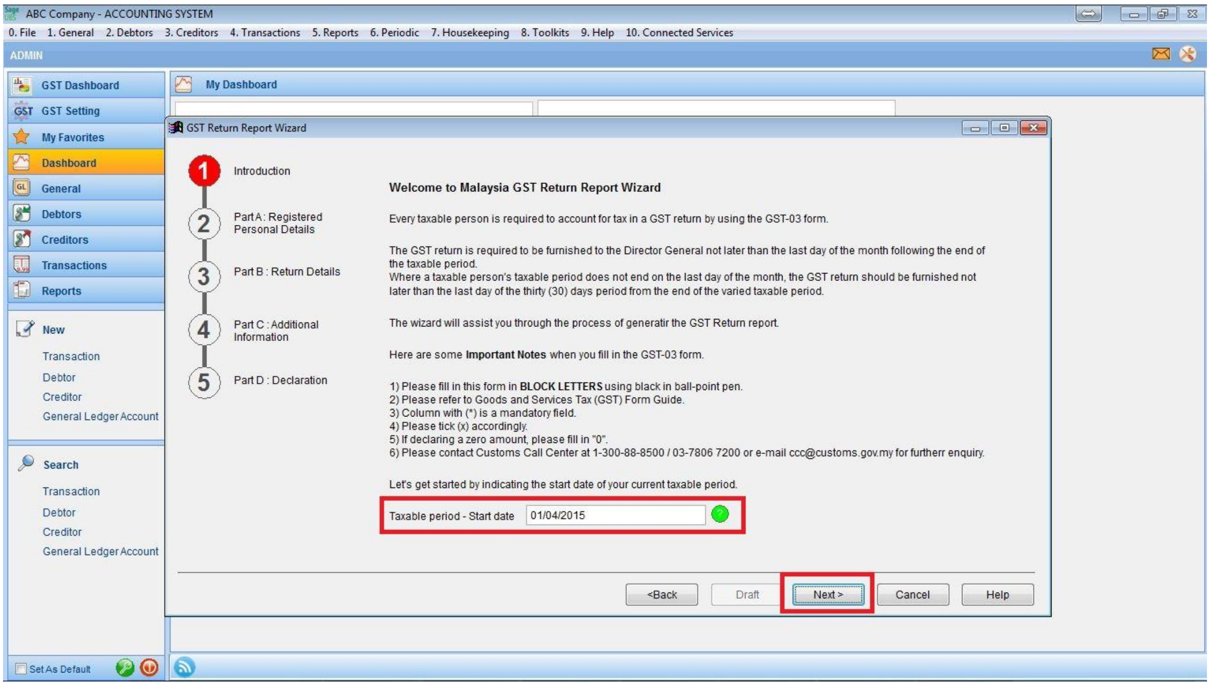
The system comes complete with a wizard driven guide on generating the output similar to that of GST-03 form; so as to facilitate users in processing the periodic GST Return.

Steps to generate the GST Return:

- The GST Return function is available in Sage UBS Accounting system
- The GST Return function is located in Reports > Goods and Services Tax > Malaysia GST > GST Return Wizard
- The GST Return process is a wizard driven guide to assist user generate the report step-by-step

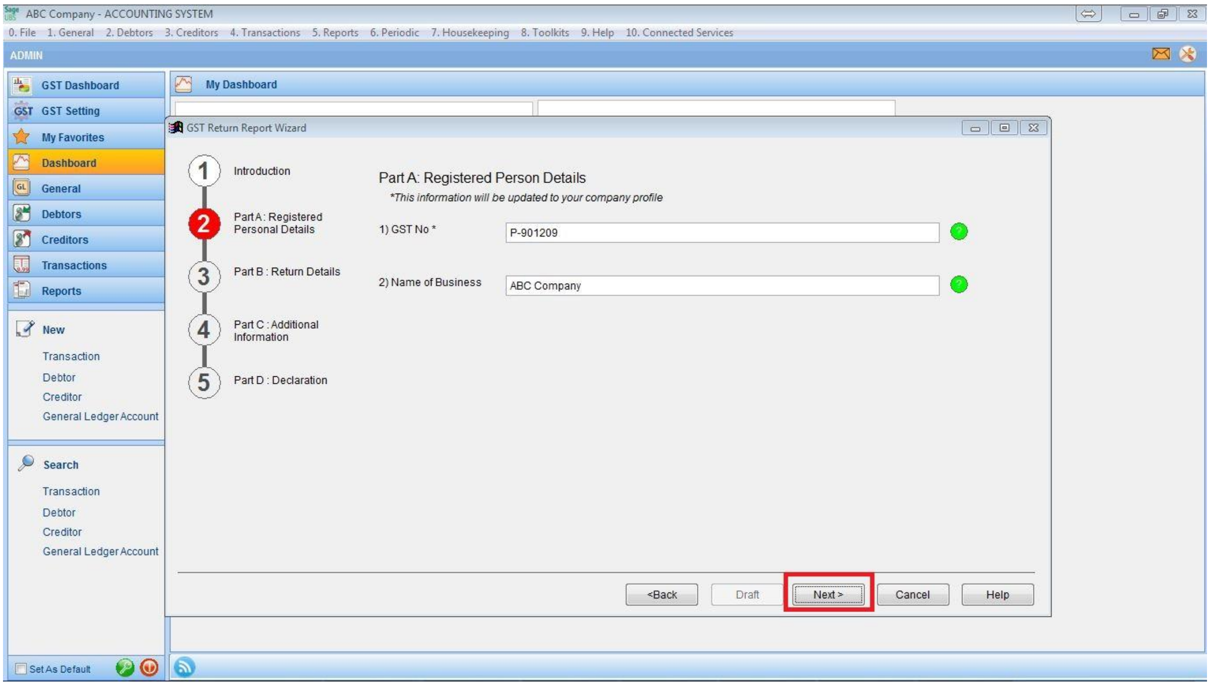


- The GST Return Listing screen will be empty initially but once the GST Return has being processed, it will be listed here for reference
- Click Add button to execute a new GST Return process



Step 1 Welcome page. Read the rules provided carefully to avoid wrongful submission

Start by entering the date of your current taxable period and click on the Next Button to proceed to next page



Step 2 Registered Person Details page

The information entered in the GST Registration Details section of the Company Profile will be auto displayed here for verification.

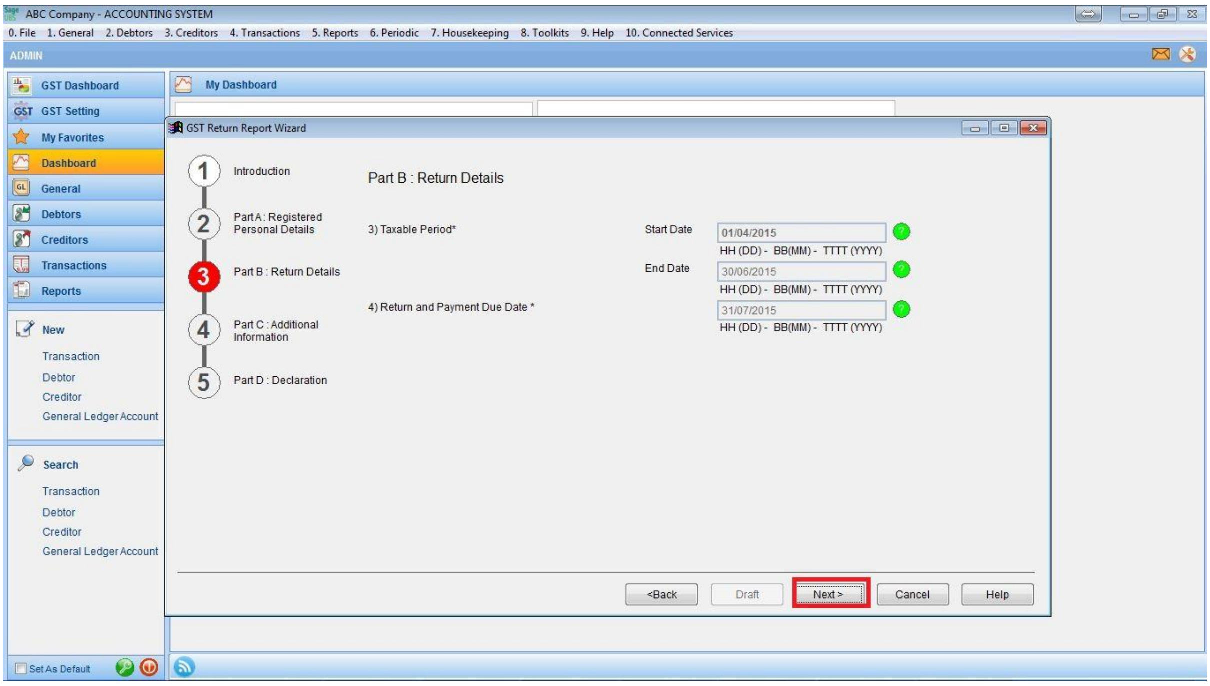
Important Note:

- GST Registration No. must be as stated in the approval letter of application for registration
- Business name as registered with relevant authority

Not sure of the field? Mouse over the green icon next to it for a brief explanation of the information required for the field

Changes required? Just overwrite the information and click **Next** button to update changes back to Company Profile and proceed to next page

Information all correct? Just click **Next** button to proceed to next page



Step 3 Return Details page

The Return Details section comes in two parts:

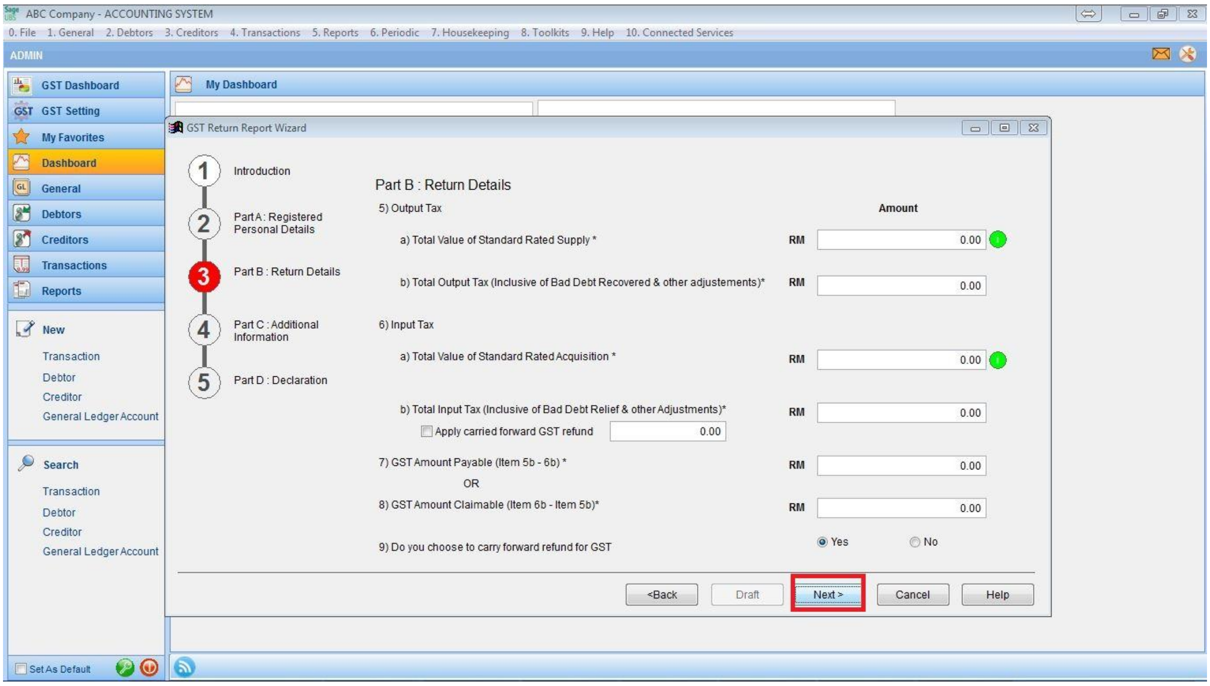
(a) Date information

(b) Return information

[a] Date information page [refer to screen on previous page]:

With the start date entered on the first page of the wizard + Taxable Period/Category set in Company Profile, system will calculate and auto populate related dates into respective date fields like start date, end date and due date.

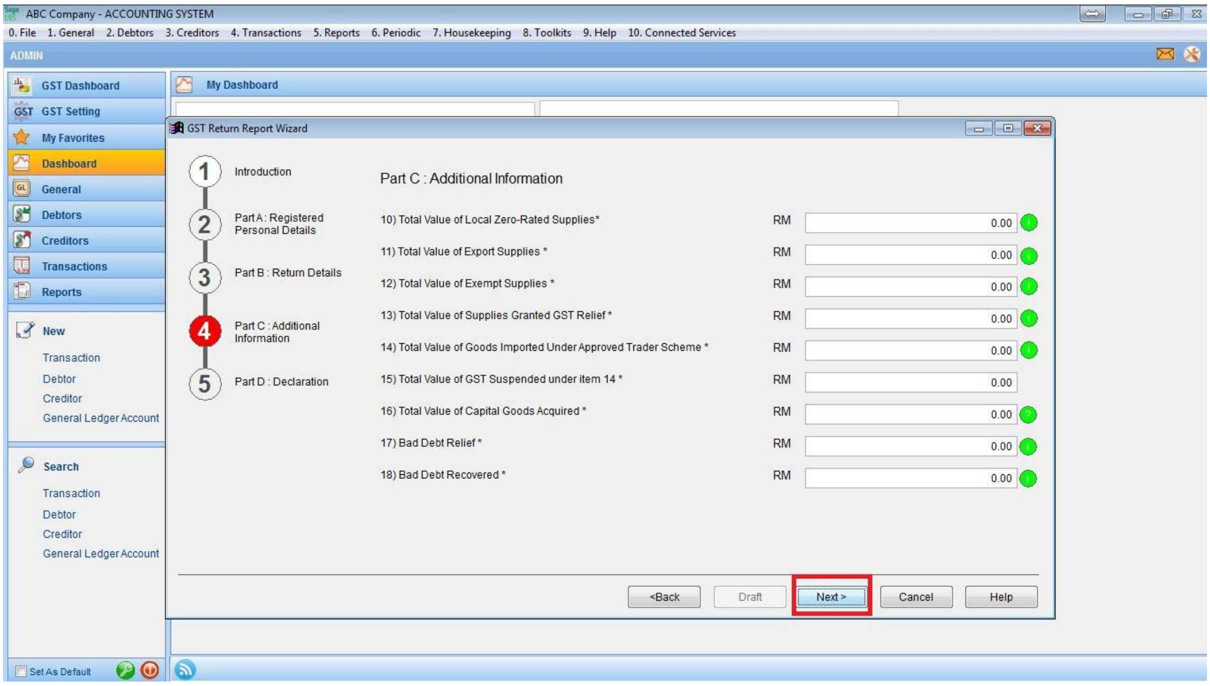
Able to edit he dates where necessary and click **Next** button to proceed to next page.



[b] Return Information page

In this page, the required values from posted transactions are auto populated into respective fields and are not editable.

- Click on the icon located at the end of the field to view list of transactions that supports the value shown in the corresponding field
- Click on the option **Apply carried forward GST refund** if you wish to include the unclaimed input tax balance from previous submission into this GST Return. System will total up both the current and previous balance input tax value to shown in the Total Input Tax field – new proposed function pending Custom's approval
- Click **Next** button to proceed to next page

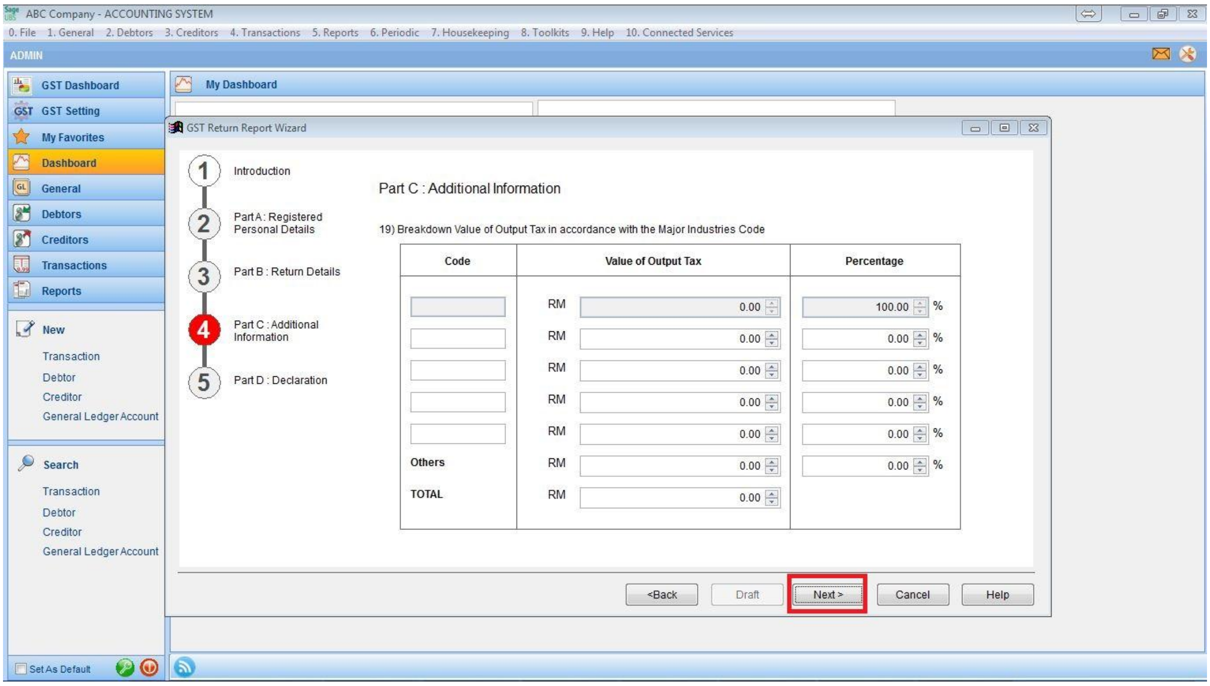


Step 4a Additional Information page

The required values from posted transactions are auto populated into respective fields and are not editable

Click on the icon located at the end of the field to view list of transactions that supports the value shown in the corresponding field

Click **Next** button to proceed to next page

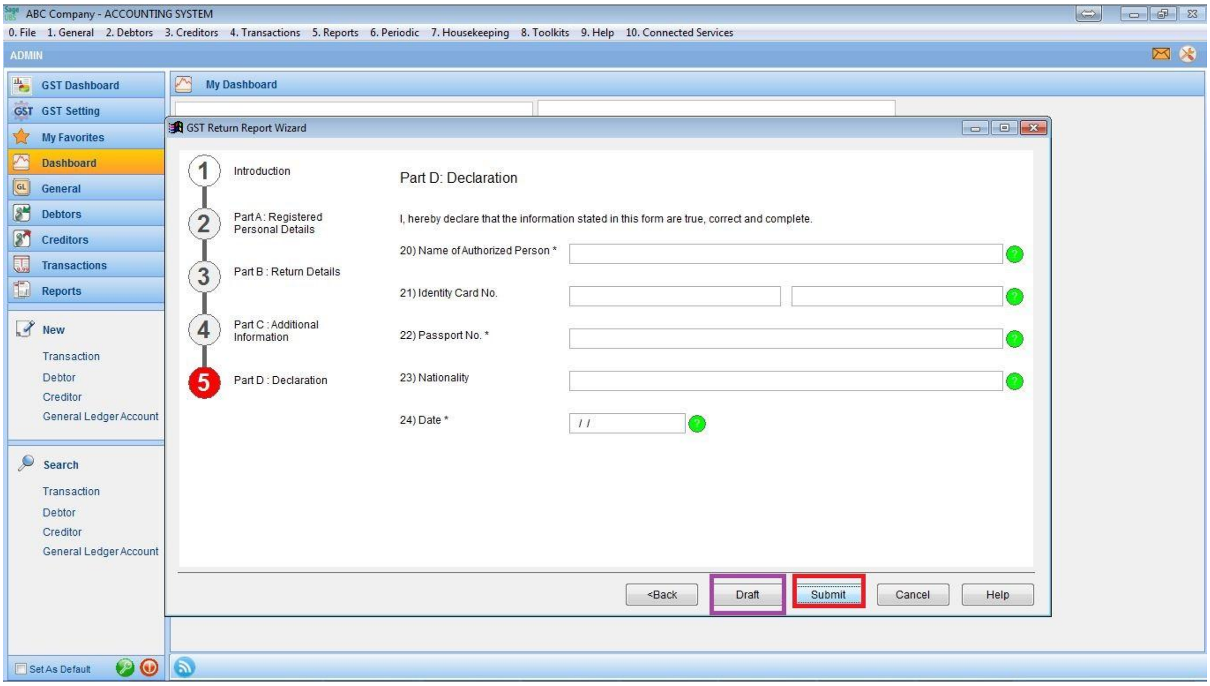


Step 4b Additional information page

This section will display the breakdown value of total output tax in accordance with Major Industries Code which can be accessed via the website at http://www.statistics.gov.my

Important Note:

Total percentage must equal to 100%



Step 5 Declaration page

This last section will require manual input of relevant information to complete the wizard process on generating the Return report.

Click on the icon located at the end of the field to access information guide on what to enter into the field.

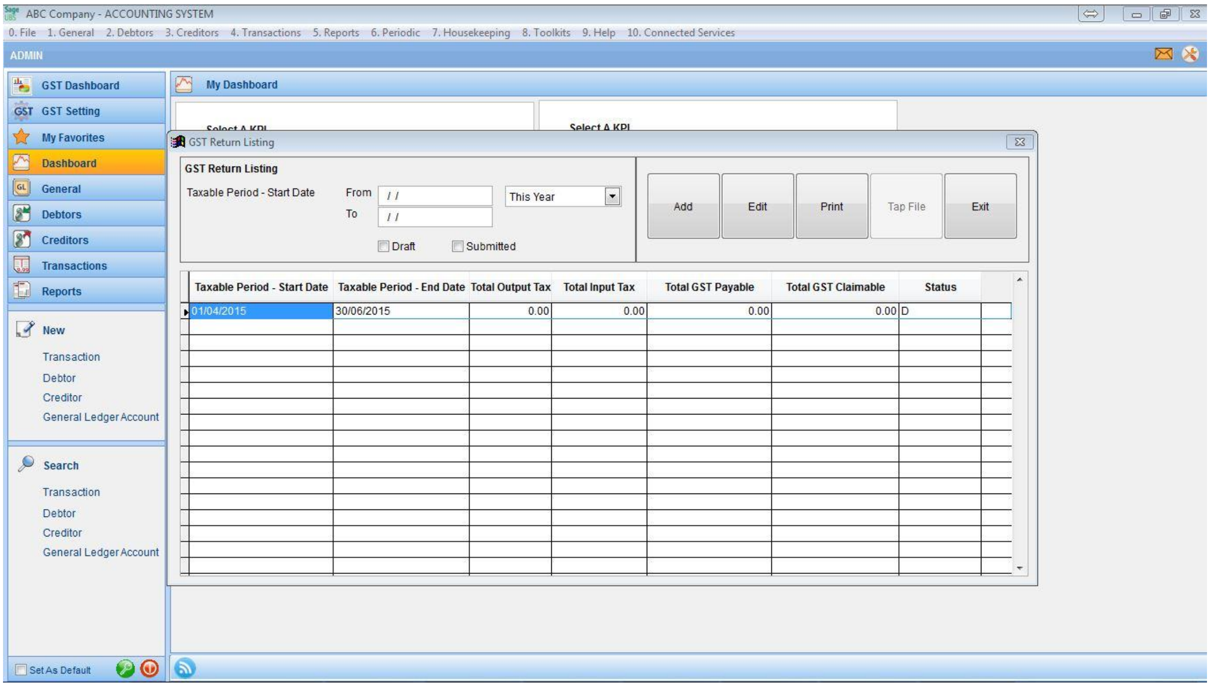
Click on **Draft** button if the process or information is not deemed complete.

- Rerun of the process is allowed under this status
- Not allowed to run the process for next taxable period

Click **Submit** button if all information entered are verified and confirmed correct.

- No rerun of the process is allowed under this status
- Able to generate the process for next taxable period

All processes executed in the GST Return with **Draf**t or **Submitted** status will be listed in the GST Return Listing screen for reference and tracking as shown below:



- **Submitted** record will have a **Prin**t button available for user to print out a mock-up of GST-03 for reference. User may use it as a reference guide when processing actual GST Return on the authority's website
- **Draft** record will reopen the wizard screen for continuation when user double-click on the record line

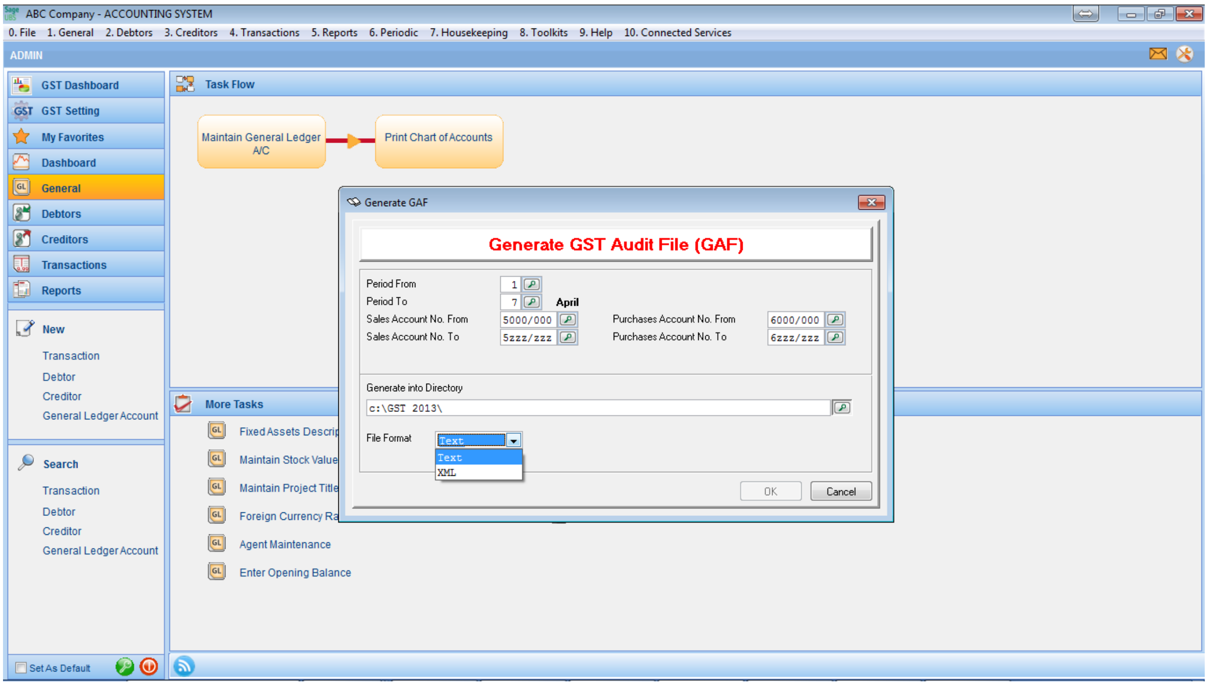
*** End of Generating GST Return section ***

GST Audit File [GAF]

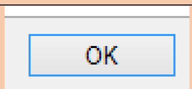
GST Audit File is one of the mandatory report that is required under GST ruling. This GAF report will only need to be produced and submitted upon request from Customs when conducting periodic audits to ensure tax returns are being prepared correctly.

This GAF is a file containing standard set of accounting information found in General Ledger together with detailed breakdown of business transactions found in details of invoices, orders and adjustment; for audit purpose.

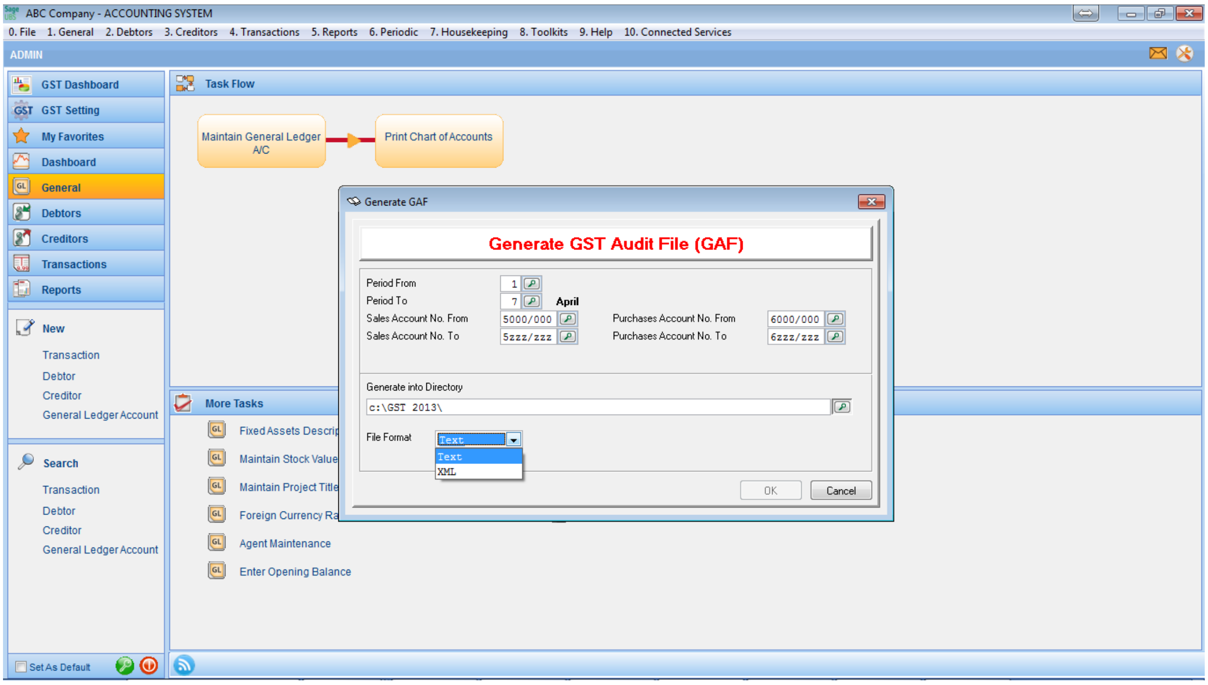
Steps to generate GST Audit File:-



Col	Field Name	Description
1	Date From/To	- Click to select and set dates required for generating the GAF report
2	Generate into Directory	- Click browser button to select the directory for storing the GAF report

Col	Field Name	Description
3	File Format	- Click to select the type of file for generating the GAF report - The two available file formats are: 1. Text file 2. XML file
4		- Click **OK** button to run the GAF report 1. The generated report will be prompted in notepad [as shown below] for user to view/ print/ save, as required 2. A copy will be stored in the directory as set in Step 2 above for user to retrieve at their own convenience

Sample report of the GAF in text file format:-



*** End of generating GAF report section ***

End of GST application in Sage UBS

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