

GST Work Plan

Purpose and Limitation

This document serves as a framework for an identified work plan detailing action steps to be taken by the project team. This document may draw information from previous deliverables to describe areas of review and sets out the scope in which the project will operate within.

*Penang Global Tourism
Sdn Bhd ("PGT")*

Work Plan:

GST 13 – De Minimis and Incidental Financial Supplies

Work Stream Lead	Michelle
Team Members	<i>[To complete]</i>



Work to be done

1. Makes an initial assessment of whether PGT makes any exempt supplies.
2. If PGT makes exempt supplies from the list of exempt supplies, identify if any of them is outside the below list of exempt supplies:-
 - the deposit of money;
 - the exchange of currency;
 - the holding of bonds, debentures, notes or other similar instruments representing or evidencing indebtedness, whether secured or otherwise;
 - the transfer of ownership of securities;
 - the provision of loans, advances or credit to employees or related entities;
 - the holding or redemption of any unit or other similar instruments under a trust fund;
 - the hedging of any interest rate risk, currency risk, freight price risk or commodity price risk; and
 - the assignment of or the provision of credit for any trade receivable.
3. If PGT makes any exempt supplies that are not in the above list, determine the value of these exempt supplies made in the last financial year to ascertain a monthly average.
4. Determine if the monthly average in (3) above is not more than:
 - a. RM5,000 per month; and
 - b. 5% of the total supplies made by PGT in the same month.

The above threshold is referred to as 'de minimis' rule.

Policies, processes and systems

5. If PGT comply with the de minimis rule, determine and implement steps to monitor the continued compliance with the de minimis rule moving forward.
6. If PGT cannot comply with the de minimis rule, PGT should determine an appropriate formula to apportion its input tax for each taxable period (for more details refer to issue log on Apportionment of 'Indirect Costs' for recovery of input tax AND Annual adjustment of residual input tax – where required).
7. Develop and establish processes to monitor de minimis and exempt supplies post GST.
8. Determine and implement processes and systems changes.
9. Educate employees on updated processes and systems changes.

Decision tree

De minimis rule

