

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 16 – Imported Services

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



Work to be done

1. Determine a process to identify the imported services provided by suppliers who carries on business outside Malaysia or belong to a country other than Malaysia to the Company.
2. Ascertain if the imported services are services which would be taxable supplies if made in Malaysia.
3. Ascertain whether the imported services are consumed in Malaysia or otherwise.
4. Ascertain whether the imported services are for business purpose or otherwise.
5. If the determination to items 2 to 4 are affirmative, establish a process to ensure that GST output tax is accounted for using the reverse charge mechanism in the taxable period in which payment for the imported services is made to the supplier.

Connected person

6. If the supplier of the imported services is a connected person, establish a process to determine the Open Market Value of the imported services (for more details refer to issue log on Open Market Value ("OMV")) and account for GST output tax on the OMV.

Foreign currency invoice

7. Where the invoices for the imported services are in a foreign currency, establish a process to convert the foreign currency amount to Malaysian Ringgit (MYR) at the time the supply takes place (i.e. the payment date).

Input Tax Credit (ITC) claim

8. In respect of imported services where GST output tax has to be accounted, determine a process to identify if the imported services are used for:-
 - a. solely making taxable supplies;
 - b. solely making exempt supplies; or
 - c. making both taxable and exempt supplies.

and claimed the ITC on the GST output tax accordingly (for more details on ITC claim, refer to issue log on Apportionment of 'Indirect Costs' for Recovery of Input Tax) in the same taxable period in which payment for the imported service is made.

Policies, processes and systems

1. Determine the processes, procedures and systems changes required to properly account for GST and claim input tax on imported services.
2. Implement the processes, procedures and system changes required.
3. Educate employees on updated policies, processes and system changes implemented.