

# **WEBINAR SERIES:** Sales & Service Tax – Mechanism, Accounting and be Ready for Audit

**21 May 2024, Tuesday**

9.00am – 5.00pm

Speaker: MR TAN KOK TEE

Virtual

Course code: TX210524W1

**Closing date: 20 May 2024**



**8 CPD  
HOURS**

## Course Introduction

Sales and Service Tax (SST) since implementation w.e.f. 1/9/2018, has also undergone various updates CONSTANTLY.

SST Requirements like implementation mechanism on (1) Changes on taxable goods movement to Special Areas and Designated Areas, (2) Updates on various SST guides and policies, (3) Accounting for imported services for **all businesses (regardless of its size)** and its exemption to account for such under certain circumstances, (4) exemptions for certain businesses to avoid double taxation effects and (5) claiming refund on certain taxes are yet to be fully aware and may be a target for customs audit.

Hence this training seminar **will incorporate all updates published by RMCD from time to time for SST and also the Income Tax Updates via Budget 2022** and is designed to assist participants in achieving the following OBJECTIVES:

1. Be aware of what IRB has updated the Direct Tax via the 2020 budget
2. To be **up-to-date** with all SST treatments since implementations to ensure compliance.
3. Beware of common pitfalls / issues to avoid.
4. To be able to do your SST implementation health check in preparation for Audit in accordance with updated legislations and RMCD policies
5. Understand the various SST Exemptions / Benefits facilities availability

## Target Audience

- Directors, CEO, COO and CFOs,
- Financial Controllers, Accountants & Those Heading the Financial Functions,
- Company Secretaries, Operational Departmental Managers,
- Executives, Officers and those who wish to develop their understanding on financial analysis
- Any other person who wish to grasp the managerial aspects of accounting & finance for corporate financial effectiveness.

**About the Trainer: MR TAN KOK TEE, MBA-FINANCE, FAIA, MIPA, AAFA, MCCS, ACTIM, CICA**

Tan Kok Tee has 40 years of working experience in accounts & financial, strategic and general management field. He has held a variety of leadership and senior management roles in various organizations, starting in the Accounts & Finance Department until CFO level and the last being Group Chief Executive Officer. More than half of these times are spent in the Manufacturing, Marketing & Distribution and Services organizations, including those with the then Inchcape Timuran Berhad, Metroplex Berhad, Perdana Industries Berhad. He is a Fellow member of the Association of International Accountants, UK; Member of the Institute of Public Accountants, Aust.; Certified Commercial Accountant, (M); Member of the Chartered Tax Institute of Malaysia; Member of the Malaysia Associations of Company Secretaries (M) and a Gold Mastery Holder in Reinventing Strategic Planning and Management from the Haines Centre for Strategic Management, sponsored by University of San Diego, USA. He is also a Certified Trainer with PMSB's (HRDF) Train The Trainer Certificate since 2009, a GST Agent registered with MOF & Holder of the GST MyGCAP certificate from RMCD and a Life Member of the Malaysian Institute of Directors. Kok Tee has been involved in Advisory, Training and Facilitation on a part-time basis from 2009-2013, and full time from 2014 to now. To-date he had conducted about 400 training workshops throughout Malaysia on topics on GST; SST; Practical Accounting for Accounting Staffs; Reading, Analyzing and Interpreting Financial Statement; Accounting and Finance for Non-Accounting Managers; Customers Credit Evaluations and Collection Strategies; Incoterms, LC Operations and Trade Financing; Reinventing the Strategic Planning and Management and Financial Statement Hands On Application to MBRS, for both in-house as well as public, including to Government Authorities, Chamber of Commerce, Government Link Companies, Banks, Malaysian Institute of Accountants, Chartered Institute of Management Accountants, CPA Australia, Malaysian Institute of Chartered Secretaries and Administrators, Selangor State Human Resource Development Centre (SHRDC), Negeri Sembilan State Skills Development Centre (NSSDC), Penang Skill Development Centre (PSDC), NGOs and many others public training providers. Through them, Kok Tee have also conducted training for Shin Yang Group in Miri, Bintulu Port, Deleum Bhd., Boustead Plantation Bhd., Takahata, FBK Manufacturing, Brothers Industries, Integrated Logistics, Mega Logistics, Chung Hwa Picture Tubes, Ohara Melaka, Safran Aerospace, NEC Corp. of Malaysia, Kobe Precissions, Tecktronic & Sons Holdings, Julie Biscuit, Ornapaper Melaka, Sunway University, Audit and Tax Firms and many many more. To-date more than 15,000 executives has been trained by him and was a Lead GST Trainer for Malaysia Export Academy in 2014-2015. Kok Tee has also been a hands on SST practitioner during the SST01 regime until its abolition. He also developed and delivered an entrepreneurship program specially designed for MBA students from GC University, Pakistan in collaboration with Sunway Education Group for period of 5 years (2010 to 2014) and was an invited speaker for the Asian Financial Controller's Congress in 2009, 2010 and 2011.

## Course Outline

### 1. SST UPDATES AND INSIGHTS

- a. Service Tax
- b. Sales Tax

### 2. IMPLEMENTATION MECHANISM AND ITS COMMON ISSUES TO AVOID AND OVERCOME IN RESPECT OF:

#### A.. REGISTRATION

- i. Threshold and its determination - what is in and what is out & how is future method calculated.
- ii. 20 Activities that do not require to be registered under the Sales Tax Act.
- iii. Understand the Single Taxable person concept
- iv. Registration Cancellation and its deemed sales under sales tax and deemed collection under the service tax.
- v. Transfer of Going Concerns under Sales Tax
- vi. Key Responsibilities of a Registered Person.

#### B. SALES TAX IMPLEMENTATION

- i. Taxable areas and its valuation for tax purpose for 3rd party and inter-company transactions.
- ii. Definition of Manufacturing and resolving its dispute on its meaning.
- iii. HS Code / Customs Tariff Code and the Determining the Rate of Tax.
- iv. Types of exemptions under the exemption orders:
  - a. Goods exempted from charging sales tax
  - b. Persons exempted from paying sales tax - terms and conditions:
    - i. Schedule C -
      - Registered Manufacturers (RM) purchase direct,
      - Registered Manufacturers (RM) purchase through 3rd parties
      - Registered Manufacturers (RM) sub-contracting work out:
        - o Between RM to RM in PCA areas
        - o Between RM and non-RM in PCA areas
        - o From Special Areas and Designated Areas to PCA Area
        - o From PCA areas to Special Areas and Designated Areas
        - o Criteria MUST meet to qualify for exemption under C5.
  - ii. Schedule B - Non- Register Manufacturer on their production of 4 specific sales tax exempted goods.
  - iii. Major Exporter Scheme
- iv. Schedule A - Other categories of person and its conditions requirements.
- v. Machinery and spare parts exemptions - be careful of wrong advice given even from customs stations.
- c. Quarterly record keeping and periodical reporting requirements for goods under exemption.
- d. Procedures on sales tax treatment on scraps at different stage of production and finished goods.
- v. Sales Tax Credit Systems.
- vi. Treatment for goods movement within, to and from:
  - a. Designated Areas (duty free areas), and/or
  - b. Special Areas
- vii. Definition of Export and its documentation criteria requirements.
- viii. Sales Tax drawback facilities vs Schedule A item 57 exemption.

#### C. SERVICE TAX IMPLEMENTATION

- i. Service Provider and its 31 categories of the 9 grouping of Taxable services
- ii. Scope of taxable services in each category / group and when is Rental, recovering of cost including electricity, water, etc subject to service tax.
- iii. Key emphasis on Management Services including Construction Project Management, Consultancy, Cleaning Management, etc.
- iv. Service tax treatment for special transactions such as:
  - a. Grants received,
  - b. Students exchange program charge,
  - c. Property Management services by Developers, JMB, MC and third parties.
  - d. Student hostels renting to parents of students,
  - e. Referral fees
  - f. Sales, Marketing and Business Development fees that includes recovery of cost etc.
- v. Person exempted from paying service tax facilities criteria.
- vi. Claiming refund of SToS (Service Tax on Digital Services) incurred by local digital tax service provider.
- vii. Treatment of imported services requirement by all businesses including Non-SST register companies and its exemptions.
- viii. Service Tax treatment on Inter-Company Professional Services and definition of group companies AND when are these services taxable also to Group Companies.
- ix. Treatment for services provided within AND to and from:
  - a. Designated Areas
  - b. Special Areas

#### D. ACCOUNTING ADMINISTRATION

- i. Invoice, Debit Note and Credit Note:
- ii. Standard prescribed particulars requirement.
- iii. Prescribed particulars requirements to person exempted from paying service tax.
- iv. Filing of Returns & correction of errors - supplementary returns.
- v. Bad Debt Relief criteria
- vi. Refund on SST over paid
- vii. Service Tax contra system.
- viii. Annual Audit Certificate requirements

### 3. HEALTH CHECK FOR CUSTOMS AUDIT PREPARATION

- i. Key common areas to look out for errors for Sales Tax and Service Tax.
- ii. Audit coverage and awareness
- iii. Appeal procedures and judicial review

## WEBINAR FEE

Category	Early Bird Fee per person (RM)  (applicable for participant who register and pay before 7/5/2024)	Normal Fee per person (RM)	Group Fee per person (RM)  (For 3 or more registrations from the same organization)
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Non member	640	690	660
Retired MAICSA member	270	270	270
MAICSA Member's staff***	600	600	600

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Tel: **03-2282 9276 (ext 803)**

Attention: Ms Vicky

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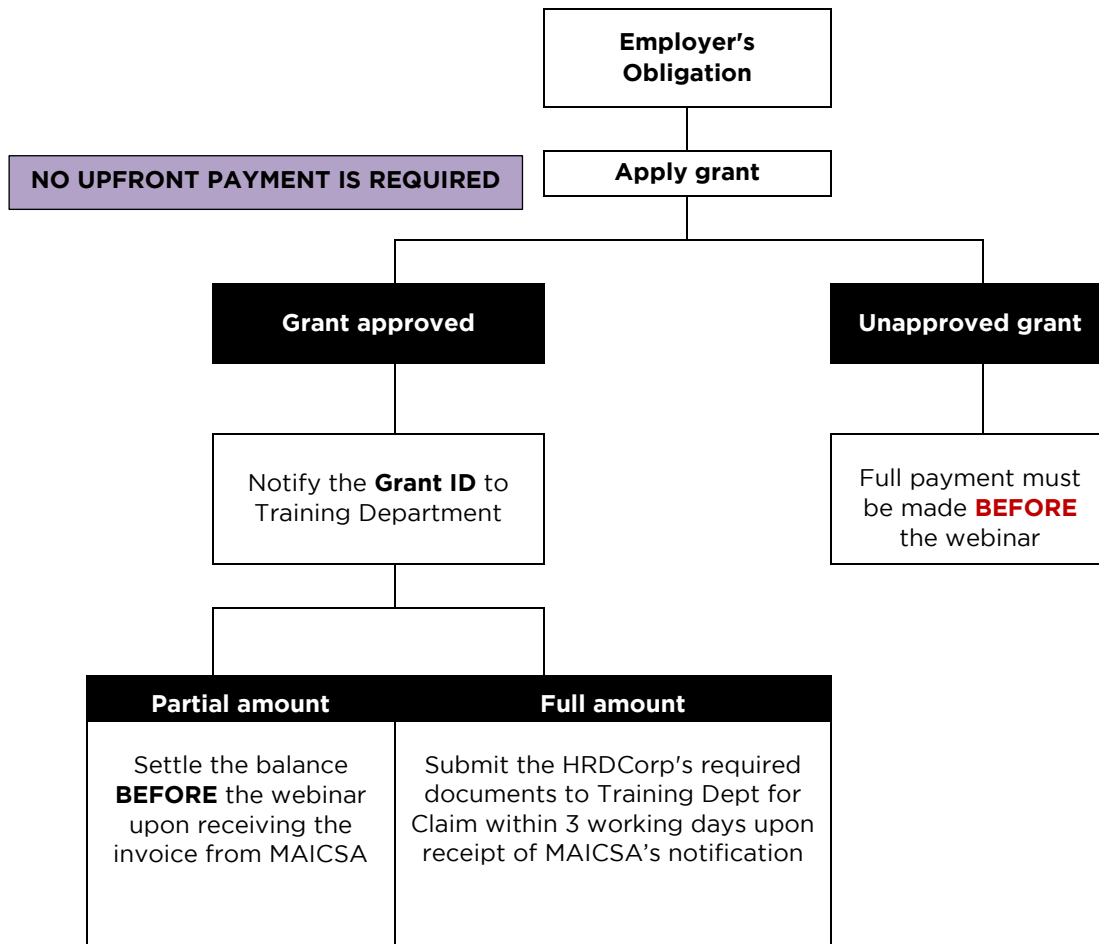
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- **Participants may log-in at 8.45am**

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  - Submit the feedback form within 3 days after the completion of the webinar
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