Good morning to all of you

My Name in N Selvam. I am Chartered Accountant and a Software Consultant.

I would like to thank JKDM and Tuan Khairul Nizam for giving me this opportuning to talk on :

Practical Issues on the new GAF Format (GST Audit File v2.0)

The issues to be discussed are based on the feedback & open discussion by the pax who attended my GAF hands-training sessions over the last 2 ½ years. To remain impartial, , pax were told not to disclose the name of Accounting Software, Vendor and Developer.

Accounting Software Accredited for GST Malaysia

If your Accounting Software has been accredited for GST Malaysia, your Software must be able to generate:

1. GST03
2. TAP File
3. GST Audit File (GAF) – TXT or XML File Formats

Please note all 3 must have the same reported numbers

GST03

P.U. (A) 190

JABATAN KASTAM DIRAJA MALAYSIA
ROYAL MALAYSIAN CUSTOMS DEPARTMENT

GST - 03

PENYATA CUKAI BARANG DAN PERKHIDMATAN
GOODS AND SERVICES TAX RETURN

Nota Penting (Important Notes)

1) Sila isikan borang ini dengan menaip menggunakan HURUF BESAR
Please type in using BLOCK LETTERS
2) Sila rujuk Buku Panduan Mengisi Borang Cukai Barang dan Perkhidmatan (CBP)
Please refer to Goods and Services Tax (GST) Forms Guide
3) Ruangan yang bertanda (*) adalah wajib diisi
Column with (*) is a mandatory field
4) Sila tandakan (X) dalam petak yang berkenaan
Please box (X) accordingly
5) Sekiranya mengisi nilai sifar, sila isi angka "0"
If declaring a zero amount, please fill in "0"
6) Sila hubungi Pusat Panggilan Kastam di talian 1-300-88-8500 / 03-78067200 atau emel ccc@customs.gov.my untuk pertanyaan lanjut
Please contact Customs Call Center at 1-300-88-8500 / 03-78067200 or email ccc@customs.gov.my for further enquiry

☐ Pindaan
Amendment

BAHAGIAN A : BUTIRAN ORANG BERDAFTAR
PART A : DETAILS OF REGISTERED PERSON

1) No. CBP * / *GST No.* *
2) Nama Perniagaan * / *Name of Business* *: ABC COMPANY 2016

BAHAGIAN B : BUTIRAN PENYATA
PART B : DETAILS OF RETURN

3) Tempoh Bercukai * / *Taxable Period* *
Tarikh Mula / *Start Date*: 01/07/2016 (HH (DD) - BB (MM) - TTTT (YYYY))
Tarikh Akhir / *End Date*: 31/07/2016 (HH (DD) - BB (MM) - TTTT (YYYY))
4) Tarikh Akhir Serahan Penyata dan Bayaran * / *Return and Payment Due Date* *: 31/08/2016 (HH (DD) - BB (MM) - TTTT (YYYY))
5) Cukai Output / *Output Tax*

		Amaun (Amount)
a) Jumlah Nilai Pembekalan Berkadar Standard * / *Total Value of Standard Rated Supply* *	RM	1,607,329.00
b) Jumlah Cukai Output (Termasuk Nilai Cukai ke atas Hutang Lapuk Dibayar Balik dan Pelarasan lain) * / *Total Output Tax (Inclusive of Tax Value on Bad Debt Recovered & other Adjustments)* *	RM	96,439.74

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No. CBP * / *GST No.* *

6) Cukai Input / *Input Tax*

		Amaun (Amount)
a) Jumlah Nilai Perolehan Berkadar Standard dan Berkadar Rata * / *Total Value of Standard Rate and Flat Rate Acquisitions* *	RM	2,777,980.05
b) Jumlah Cukai Input (Termasuk Nilai Cukai ke atas Pelepasan Hutang Lapuk dan Pelarasan lain) * / *Total Input Tax (Inclusive of Tax Value on Bad Debt Relief & other Adjustments)* *	RM	166,677.60
7) Amaun CBP Kena Dibayar (Butiran 5b - Butiran 6b) * / *GST Amount Payable (Item 5b - Item 6b)* *	RM	
ATAU / OR		
8) Amaun CBP Boleh Dituntut (Butiran 6b - Butiran 5b) * / *GST Amount Claimable (Item 6b - Item 5b)* *	RM	70,237.86

9) Adakah anda memilih untuk membawa ke hadapan pembayaran balik CBP? * / *Do you choose to carry forward refund for GST?* *
☐ Ya / *Yes* ☒ Tidak / *No*

BAHAGIAN C : MAKLUMAT TAMBAHAN
PART C : ADDITIONAL INFORMATION

		Amaun (Amount)
10) Jumlah Nilai Pembekalan Tempatan Berkadar Sifar * / *Total Value of Local Zero-Rated Supplies* *	RM	781,470.00
11) Jumlah Nilai Pembekalan Eksport * / *Total Value of Export Supplies* *	RM	468,050.50
12) Jumlah Nilai Pembekalan Dikecualikan * / *Total Value of Exempt Supplies* *	RM	44,400.00
13) Jumlah Nilai Pembekalan Diberi Pelepasan CBP * / *Total Value of Supplies Granted GST Relief* *	RM	252,800.00
14) Jumlah Nilai Pengimportan Barang Dibawah Skim Pedagang Diluluskan * / *Total Value of Goods Imported Under Approved Trader Scheme* *	RM	0.00
15) Jumlah Nilai CBP Import Digantung dibawah butiran 14 * / *Total Value of GST Suspended under item 14* *	RM	0.00
16) Jumlah Nilai Perolehan Harta Modal * / *Total Value of Capital Goods Acquired* *	RM	50,300.00
17) Jumlah Nilai Pelepasan Hutang Lapuk Termasuk Cukai * / *Total Value of Bad Debt Relief Inclusive Tax* *	RM	0.00
18) Jumlah Nilai Hutang Lapuk Dibayar Balik Termasuk Cukai * / *Total Value of Bad Debt Recovered Inclusive Tax* *	RM	0.00

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No. CBP * / *GST No.* *

19) Pecahan Nilai Cukai Output mengikut Kod Industri Utama
Breakdown Value of Output Tax in accordance with the Major Industries Code

Kod MSIC (MSIC Code)	Nilai Cukai Output (Value of Output Tax)	Peratusan (Percentage)
123456	RM 96,439.74	100.00 %
	RM	%
	RM	%
	RM	%
	RM	%
Lain-lain / Others	RM	%
JUMLAH / TOTAL	RM 96,439.74	100%

BAHAGIAN D : AKUAN
PART D : DECLARATION

Saya dengan ini mengaku bahawa maklumat dinyatakan dalam borang ini adalah benar, betul dan lengkap.
I hereby declare that the information stated in this form are true, correct and complete.

20) Nama Orang Diberi Kuasa * / *Name of Authorised Person* *
21) No. Kad Pengenalan / *Identity Card No.* — Baru (New) * / Lama (Old)
22) No. Pasport * / *Passport No.* * — Wajib untuk warga negara asing (*Mandatory for foreign citizen*)
23) Kewarganegaraan / *Nationality*
24) Tarikh / *Date* (HH (DD) - BB (MM) - TTTT (YYYY))
25) Tandatangan * / *Signature* *

UNTUK KEGUNAAN PEJABAT (*FOR OFFICE USE ONLY*)

Tarikh Diterima * / *Received Date* * (HH (DD) - BB (MM) - TTTT (YYYY))
Tarikh Cop Pos * / *Postmark Date* * (HH (DD) - BB (MM) - TTTT (YYYY))

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Taxpayer Access (TAP) File

File Format Definition for Taxpayer Access Point (TAP) File

Introduction

The TAP file is a standard file format to be import into GST-03 return in Taxpayer Access Point website. The TAP file will autofill all the information require for GST-03 return based on the information being formatted into the TAP file. This is an alternative method to the taxpayers for submitting information into GST-03 return. The information provided includes all field required to complete a GST-03 return, and the TAP File must in format of Text Document (.txt).

TAP File Format Specification in Text File Format

c1|c2|c3|c4|b5|c6|c7|c8|c9|c10|c11|c12|c13|i14|c15|i16|c17|i18|c19|i20|c21|i22|c23|c24

(Note: There are no headers for TAP File as per JKDM Guide on ACCOUNTING SOFTWARE)

Screenshot on importing the TAP File

GAF - XML File

XML example

```xml
<?xml version="1.0" encoding="UTF-8" ?>
<xs:schema xmlns:xs="http://www.w3.org/2001/XMLSchema">


<!-- definition of types -->
<xs:simpleType name="String3.Type">
  <xs:restriction base="xs:string">
    <xs:maxLength value="3" />
  </xs:restriction>
</xs:simpleType>
<xs:simpleType name="String12.Type">
  <xs:restriction base="xs:string">
    <xs:maxLength value="12" />
  </xs:restriction>
</xs:simpleType>
<xs:simpleType name="String16.Type">
  <xs:restriction base="xs:string">
    <xs:maxLength value="16" />
  </xs:restriction>
</xs:simpleType>
<xs:simpleType name="String20.Type">
  <xs:restriction base="xs:string">
    <xs:maxLength value="20" />
  </xs:restriction>
</xs:simpleType>
<xs:simpleType name="String50.Type">
  <xs:restriction base="xs:string">
    <xs:maxLength value="50" />
  </xs:restriction>
</xs:simpleType>
<xs:simpleType name="String100.Type">
  <xs:restriction base="xs:string">
    <xs:maxLength value="100" />
  </xs:restriction>
</xs:simpleType>
<xs:simpleType name="String250.Type">
  <xs:restriction base="xs:string">
    <xs:maxLength value="250" />
  </xs:restriction>
</xs:simpleType>
<xs:simpleType name="HundredBillionWith2Decimal.Type">
  <xs:restriction base="xs:decimal">
    <xs:maxInclusive value="999999999999.99" />
    <xs:minInclusive value="-999999999999.99" />
    <xs:fractionDigits value="2" />
  </xs:restriction>
</xs:simpleType>


<!-- definition of simple elements -->
<xs:element name="CompanyName" type="String100.Type"/>
<xs:element name="CompanyBRN" type="String16.Type"/>
<xs:element name="CompanyGSTNo" type="String16.Type"/>
<xs:element name="PeriodStart" type="xs:date" default="9999-12-31"/>
<xs:element name="PeriodEnd" type="xs:date" default="9999-12-31"/>
<xs:element name="GAFCreationDate" type="xs:date" default="9999-12-31"/>
```

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```xml
          <xs:element ref="InvoiceNo" type="String50.Type"/>
          <xs:element ref="ExportK2Number" type="String50.Type"/>
          <xs:element ref="LineNo" type="xs:long"/>
          <xs:element ref="ProductDescription" type="String250.Type"/>
          <xs:element ref="SupplyValueMYR" type="HundredBillionWith2Decimal.Type"/>
          <xs:element ref="SupplyGSTValueMYR"
type="HundredBillionWith2Decimal.Type"/>
          <xs:element ref="TaxCode" type="String20.Type"/>
          <xs:element ref="Country" type="String50.Type"/>
          <xs:element ref="FCYCode" type="String3.Type" default="XXX"/>
          <xs:element ref="SupplyValueFCY" type="HundredBillionWith2Decimal.Type"/>
          <xs:element ref="SupplyGSTValueFCY"
type="HundredBillionWith2Decimal.Type"/>
        </xs:sequence>
      </xs:complexType>
    </xs:element>
  </xs:sequence>
  <xs:attribute ref="CountSupplyRecord" use="required"/>
  <xs:attribute ref="SumSupplyValueMYR" use="required"/>
  <xs:attribute ref="SumSupplyGSTValueMYR" use="required"/>
 </xs:complexType>
</xs:element>
<xs:element name="GeneralLedger">
 <xs:complexType>
  <xs:sequence>
   <xs:element name="LedgerEntry" maxOccurs="unbounded">
    <xs:complexType>
     <xs:sequence>
      <xs:element ref="TransactionDate" type="xs:date" default="9999-12-31"/>
      <xs:element ref="AccountID" type="String20.Type"/>
      <xs:element ref="AccountType" type="String20.Type"/>
      <xs:element ref="AccountName" type="String100.Type"/>
      <xs:element ref="TransactionDescription" type="String250.Type"/>
      <xs:element ref="EntityName" type="String100.Type"/>
      <xs:element ref="TransactionID" type="String20.Type"/>
      <xs:element ref="SourceDocumentID" type="String50.Type"/>
      <xs:element ref="SourceType" type="String20.Type"/>
      <xs:element ref="Debit" type="HundredBillionWith2Decimal.Type"/>
      <xs:element ref="Credit" type="HundredBillionWith2Decimal.Type"/>
      <xs:element ref="RunningBalance" type="HundredBillionWith2Decimal.Type"/>
     </xs:sequence>
    </xs:complexType>
   </xs:element>
  </xs:sequence>
  <xs:attribute ref="CountLedgerRecord" use="required"/>
  <xs:attribute ref="SumLedgerDebit" use="required"/>
  <xs:attribute ref="SumLedgerCredit" use="required"/>
  <xs:attribute ref="SumLedgerClosingBalance" use="required"/>
```

GAF - Bar-Delimited-File (TXT)

Bar-Delimited-File example

```
C|C2_CompanyName|C3_CompanyBRN|C4_CompanyGSTNo|C5_PeriodStart|C6_PeriodEnd|C7_GAFCreationDate|C8_SoftwareVersion|C9_GAFVersion|
C|XYZ SDN BHD|654321-V|000123456789|2015-12-01|2016-12-31|2014-12-18|XYB Accountsoft v2.0|GAFv2.0|
P|P2_SupplierName|P3_SupplierBRN|P4_SupplierGSTNo|P5_InvoiceDate|P6_PostingDate|P7_InvoiceNo|P8_ImportK1No|P9_LineNo|P10_ProductDescripti
on|P11_PValueMYR|P12_PGSTValueMYR|P13_TaxCode|P14_FCYCode|P15_PValueFCY|P16_PGSTValueFCY|
P|Solution Sdn Bhd|A123456|000123456789|1/11/2015|1/11/2015|S000186||1|Computer Sets Office|10000|600|TX||0.00|0.00|
P|Simple Sdn Bhd|W123456|000234567890|10/11/2015|1/11/2015|B5263||1|Export Shipping Insurance|3000|0|ZP||0.00|0.00|
P|Azfar Group Berhad|N0123645|000812365558|10/11/2015|1/11/2015|135286|W00124579995|1|Office Stationery|10000|600|IM|USD|3000|180|
P|Retain Sdn Bhd|P004567|000987456321|10/11/2015|1/11/2015|1134|WS0122554778|1|Electronic Board|100000|0|IS|USD|7000|0.00|
P|Car Auto Sdn Bhd|Q123456|000234567891|10/11/2015|1/11/2015|F555888||1|Proton Perdana 2.0L|120000|7200|BL||0.00|0.00|
P|Auxillary Berhad|W009876|000185247963|10/11/2015|1/11/2015|1138||1|Apartment Unit Ipoh Perak|100000|0|EP||0.00|0.00|
P|Organisasi Pengurusan Visa|K0001234||1/11/2015|1/11/2015|68675657||1|Employees Permit and Visa|50000|0|OP||0.00|0.00|
P|Solution Sdn Bhd|A123456|000123456789|1/11/2015|1/11/2015|S000188||1|Computer Sets Office|15000|900|TX||0.00|0.00|
P|Cybernatics Pte Ltd|||20/10/2015|1/11/2015|1142|WSC001256666|1|Semiconductor Board-Import China to Japan|20000|0.00|OP|USD|7000|0.00|
S|S2_CustomerName|S3_CustomerBRN|S4_CustomerGSTNo|S5_InvoiceDate|S6_InvoiceNo|S7_ExportK2No|S8_LineNo|S9_ProductDescription|S10_SValu
eMYR|S11_SGSTValueMYR|S12_TaxCode|S13_Country|S14_FCYCode|S15_SValueFCY|S16_SGSTValueFCY|
S|Man Construct Sdn Bhd|F4567834|000654781239|20/10/2015|A1001||1|Laptop Computer Sets|5000|300|SR|||0.00|0.00|
S|Cybernatics Pte Ltd|||20/10/2015|A1002|W1111111111|1|Semiconductor Board-Export Japan to China|1000||OS|Japan to China|USD|300|0.00|
S|Allied Bank|H1023458|000578932145|20/10/2015|A1003||1|Interest income received|650|0|IES|||0.00|0.00|
S|Federal Berhad| D110002|256874185|20/10/2015|A1004||1|Lease of Apartment Unit Gopeng Perak|3500|0.00|ES|||0.00|0.00|
S|Groupin Sdn Bhd|G3233356|000854123692|1/11/2015|A1005||1|Doorgift for Opening Ceremony|1000|60|DS|||0.00|0.00|
S|Electronic Pte Ltd|||10/11/2015|A1006|W2222222222|1|Semiconductor Chips-Export|10000|0.00|ZRE|Australia|USD|3000|0.00|
S|Man Construct Sdn Bhd|G00999|000122286665|20/10/2015|A1007||3|Laptop Computer Sets|30000|1800|SR|||0.00|0.00|
S|Cybernatics Pte Ltd|||20/10/2015|A1008|W3333333333|1|Semiconductor Board-Export Japan to China|30000|0.00|OS|Japan to China|USD|1000|0.00|
L|L2_TransactionDate|L3_AccountID|L4_AccountType|L5_AccountName|L6_TransactionDescription|L7_EntityName|L8_TransactionID|L9_SourceDocID|L10_
SourceType|L11_Debit|L12_Credit|L13_RunningBalance|
L|1/1/2015|2310|BS|BANK|OPENING BALANCE|||||0.00|0.00|100000|
L|20/10/2015|2310|BS|BANK|Payment for Semiconductor Board-Import China to Japan|Cybernatics Pte Ltd| 2015-10-5592|1142|AP|0.00|20000|80000|
L|10/11/2015|2310|BS|BANK|Payment for Office Stationery|Azfar Group Berhad|2015-11-5572|135286|AP|0.00|10600|69400|
```

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```
L|1/1/2016|7601|PL|TRADING - PURCHASE| Payment for Proton Perdana 2.0L|Car Auto Sdn Bhd| 2016-01-5576|F555888|AP|120000|0.00|478000|
L|2/2/2016|7601|PL|TRADING - PURCHASE| Payment for Employees Permit and Visa|Organisasi Pengurusan Visa| 2016-02-
5540|1140|AP|50000|0.00|528000|
F|F2_CountPRecord|F3_SumPValueMYR|F4_SumPGSTValueMYR|F5_CountSRecord|F6_SumSValueMYR|F7_SumSGSTValueMYR|F8_CountLRecord|F9_
SumLDebit|F10_SumLCredit|F11_SumLCloseBalance|
F|9|428000|9300|8|81150|2210|66|603920|603920|198000|
```

Note: The bar delimited file is separated by the bar character "|". The bar makes for a better delimiter than commas because it is less likely to be in names and elements in the file. The accounting software must run data purification to ensure that any bars in element data are removed, and the GAF must in a format of Text Document (.txt).

Why is GAF and TAP File very important for the GST Audit

Because GST03 Reported Numbers can be

re-produced from

GAF & TAP file

Accounting Software Accredited for GST Malaysia

1. There are quite a number of Accounting Software that has been accredited for GST Malaysia and you cannot expect the GST Auditors to know how your accounting software "works" or how you generated GST03/ TAP File/ GST Audit File (GAF). Only the User/ Software Developer/ Software Vendor/ Software Consultant would know best.
2. What is important during audit:
   - Is your Documentation in order & complete?
   - Assigning the correct Tax Code for all Purchase and Supply Transactions
   - Can the reported numbers for GST be verified against your Accounting Software?
   - How much work needs to be done "outside" your Accounting Software to ensure compliance & accounting for GST (e.g. can your Accounting Software automatically handle Gift Rule?)

GSTv2.0

Tax Codes for

Purchase and Supply

Why Are GST Tax Codes Important?

- If your company registered for GST Malaysia:
  - All Purchase and Supply Tax Transactions must be assigned a Tax Code
  - The Fields in GST03 are updated by Tax Codes
  - Tax Codes appear in GAF only in the P & S Record Element as per JKDM Guide on ACCOUNTING SOFTWARE

Recommended Tax Code for Supply

Tax Code By	Tax Code	Tax Rate	Description
JKDM	SR	6%	Standard-rated supplies with GST charged.
	ZRL	0%	Local supply of goods or services which are subject to zero rated supplies.
	ZRE	0%	Exportation of goods or services. (By referring Customs Form No. 2 (K2),and/or other reference documents)
	DS	6%	Deemed supplies under GST legislations.
	OS	0%	Out-of-scope supplies under GST legislations.
	ES	0%	Exempt supplies under GST legislations.
	RS	0%	Relief supplies under GST legislations.
	GS	0%	Disregarded supplies under GST legislations.
	AJS	6%	Any adjustment made to Output Tax (e.g., Bad Debt Recovered, & other output tax adjustments)
JKDM - Revised	IES	0%	Incidental exempt supplies under GST legislations. (Note: Rename of ES43)
JKDM - New	ZDA	0%	Supply of goods from Malaysia to Designated Area (Pulau Langkawi, Labuan, & Pulau Tioman) which are subject to zero rated supplies. (By referring Customs Form No. 2 (K2), and/or other reference documents)
	SR-MS	6%	Standard-rated supplies under Margin Scheme
	SR-JWS	0%	Supplies under Approved Jeweller Scheme (AJS)
	OS-TXM	0%	Out-of-scope supplies made outside Malaysia which will be taxable if made in Malaysia.
	NTX	0%	Supplies with no tax chargeable.
	NS	0%	Matters to be treated as neither a supply of goods nor a supply of services, and no GST chargeable.
Non-JKDM	AJS-BD	6%	Bad Debt Recovered for Customer Invoice (AR)
	NA	0%	Not applicable

Recommended Tax Codes for Purchase

Tax Code By	Tax Code	Tax Rate	Description
JKDM	TX	6%	Purchases with GST incurred at 6% and directly attributable to taxable supplies.
	TX-CG	6%	Purchase with GST incurred for capital goods acquisition.
	TX-RE	6%	Purchase with GST incurred that is not directly attributable to taxable or exempt supplies, and only applicable for partially exempt trader/mixed supplier.
	IM	6%	Import of goods with GST incurred. (By referring Customs Form No. 1 (K1),and/or other reference documents)
	IS	0%	Imports of goods under Approved Trader Scheme (ATS) whereas the payment of GST chargeable is suspended on the goods imported.
	BL	6%	Purchases with GST incurred but not claimable or known as Disallowance of Input Tax.
	NR	0%	Purchase from non GST-registered supplier with no GST incurred.
	ZP	0%	Purchase from GST-registered supplier with zero-rated GST incurred.
	EP	0%	Purchase in relation to exempt supply under GST legislations.
	OP	0%	Purchase transactions which is out of the scope of GST legislation.
	GP	0%	Purchase transactions which disregarded under GST legislation.
	AJP	6%	Any adjustment made to Input Tax (e.g., Bad Debt Relief & other input tax adjustments)
JKDM - Revised	TX-IES	6%	**Purchase with GST incurred directly attributable to incidental exempt supplies. (Note: Rename of TX-E43)**
	TX-ES	6%	**Purchase with GST incurred directly attributable to exempt supplies, and only applicable for partially exempt trader/mixed supplier. (Note: Rename of TX-N43)**
JKDM - New	RP	0%	Relief Purchase under GST legislations. (e.g, purchase of RON95 petrol, diesel and other relief supply)
	TX-FRS	2%	Purchase under Flat Rate Scheme.
	TX-NC	6%	GST incurred and choose not to claim the input tax.
	NP	0%	Matters to be treated as neither a purchase of goods nor a purchase of services, and no GST incurred.
Non-JKDM	AJS-BD	6%	Bad Debt Recovered for Customer Invoice (AR)
	NA	0%	Not applicable

* Field 15 is based on computation. It is 6% of Field 14.

You must know which Tax Codes are Reported and Not Reported for Malaysia GST

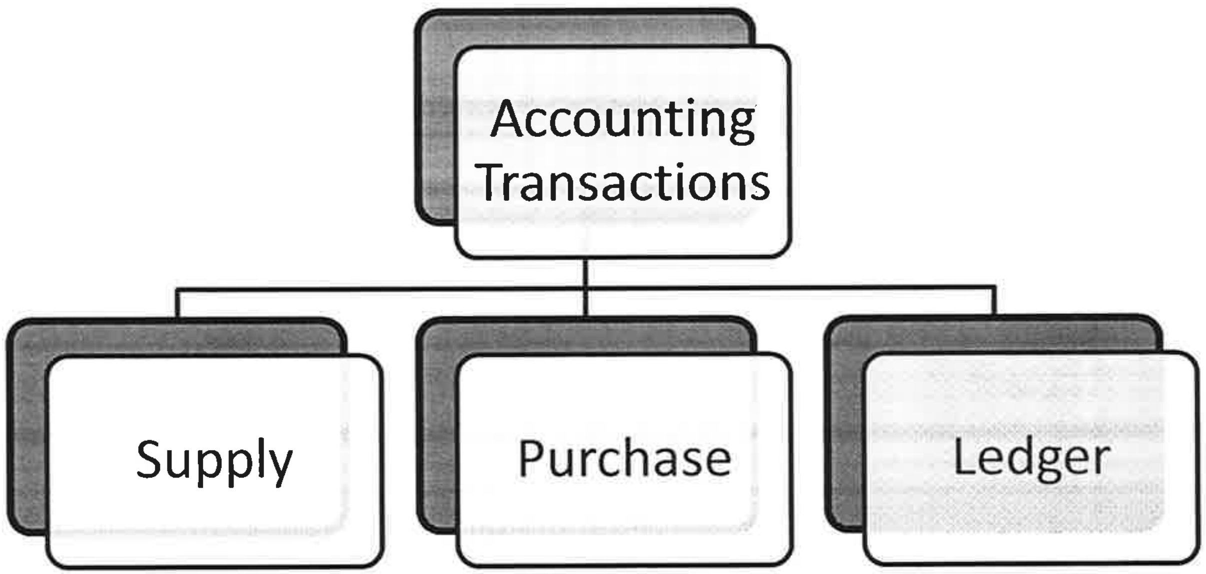
You must know which Fields in GST03 are updated by the Reported Tax Codes for Purchase and Supply

	Purchase Transactions			Supply Transactions		
Reported	TX (6%)	TX-ES (6%)	AJP (6%)	SR (6%)	DS (6%)	IES (0%)
	TX-IES (6%)	TX-FRS (2%)		ZRL (0%)	SR-MS (6%)	RS (0%)
	TX-RE (6%)	TX-CG (6%)		ZDA (0%)	SR-JWS (0%)	AJS (6%)
	IM (6%)	IS (0%)		ZRE (0%)	ES (0%)	NTX (0%)
Not Reported	BL (6%)	NR (0%)	NP (0%)	OS (0%)		
	ZP (0%)	EP (0%)		GS (0%)		
	OP (0%)	RP (0%)		OS-TXM (0%)		
	GP (0%)	TX-NC (6%)		NS (0%)		

Challenges with Accounting Transactions for GST Malaysia

Accounting Transactions

- All Accounting Transactions belongs to three groups for GST purposes:



Challenges when assigning Tax Codes

You must know if the Transaction is a Supply, Purchase or Ledger from the KASTAM perspective.

If Supply

1. Should your company account for GST Output?
2. What Tax Codes should you assign for this Transaction?

If Purchase

1. Should your company claim the Input Tax?
2. What Tax Codes should you assign for this Transaction?

If Ledger

1. Tax Codes are not required and typically there is no GST Element for this transaction

Challenges when assigning Tax Codes

Companies are still making mistakes with Tax Codes until today and how they enter Transactions for GST vary significantly from software to software and from company to company. e.g.

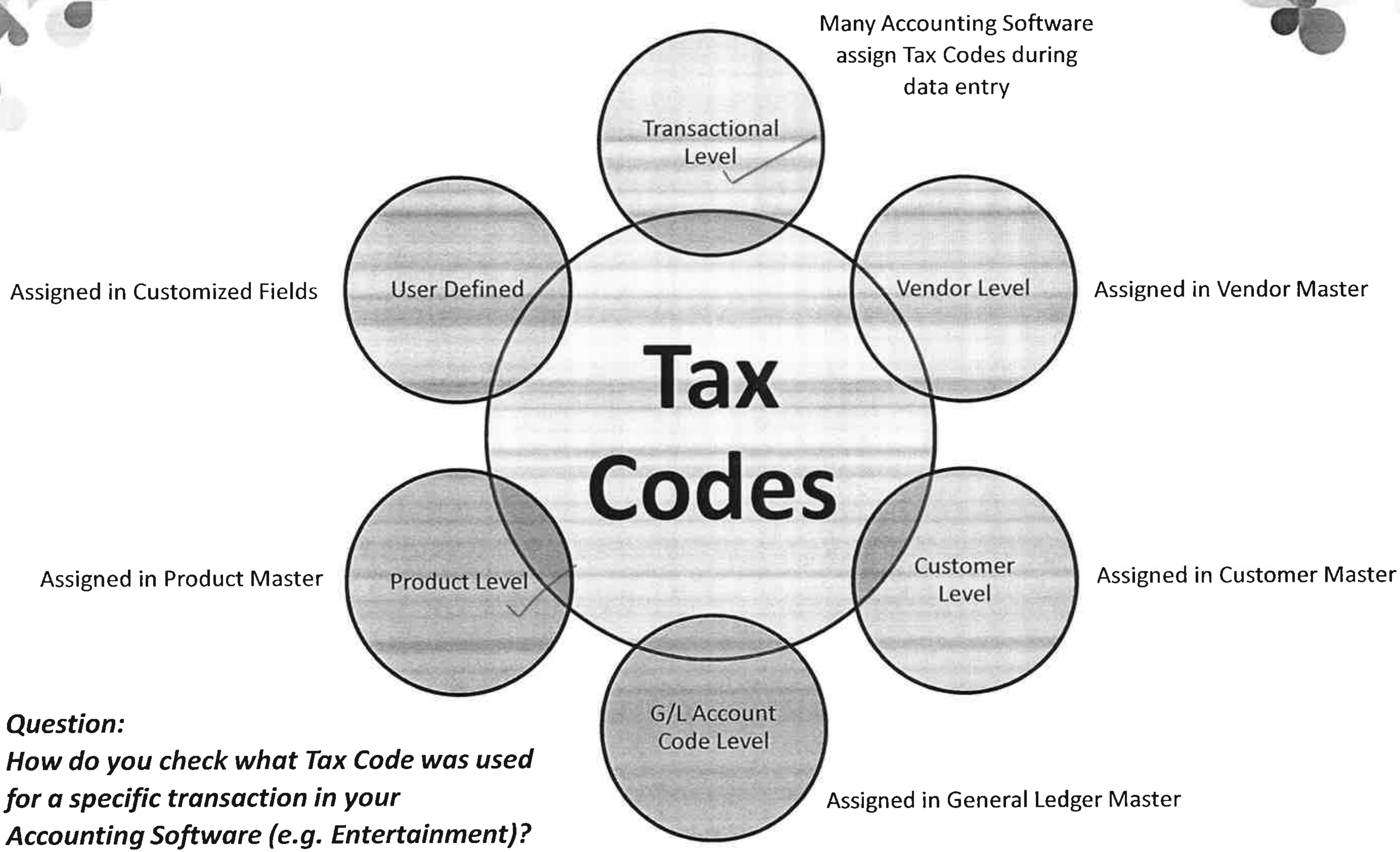
1. When to use TX and TX-IES (previously TX-E43)
2. All Purchase Transactions with no GST assigned Tax Code OP
3. All Supply Transactions with no GST assigned Tax Code OS
4. Interest on fixed deposit & net realized forex gain not reported
5. Best practice to handle staff claims for GST Reporting

    Do I need to create Vendor Codes for all staff who submit claims

    Do I enter the attachments one by one or enter summary totals by Tax Codes

Accounting Software

Where do you assign Tax Codes for your Accounting Transactions



Question:
How do you check what Tax Code was used for a specific transaction in your Accounting Software (e.g. Entertainment)?

GST Audit File (GAF)

What do you need to know about the GST Audit File (GAF)

What is GAF?

The GST Audit file (GAF) is a way for taxpayers to submit information relevant to the Auditors in response to an audit request.

Details of the information to be submitted can be found in the JKDM Accounting Software Guide.

There are two types of files that can be submitted, an XML file and a Bar-Delimited-File.

What does GAF contain?

The information provided includes company IDs, names, supply and purchases, and general ledger transactions. There is also a footer record to ensure file integrity.

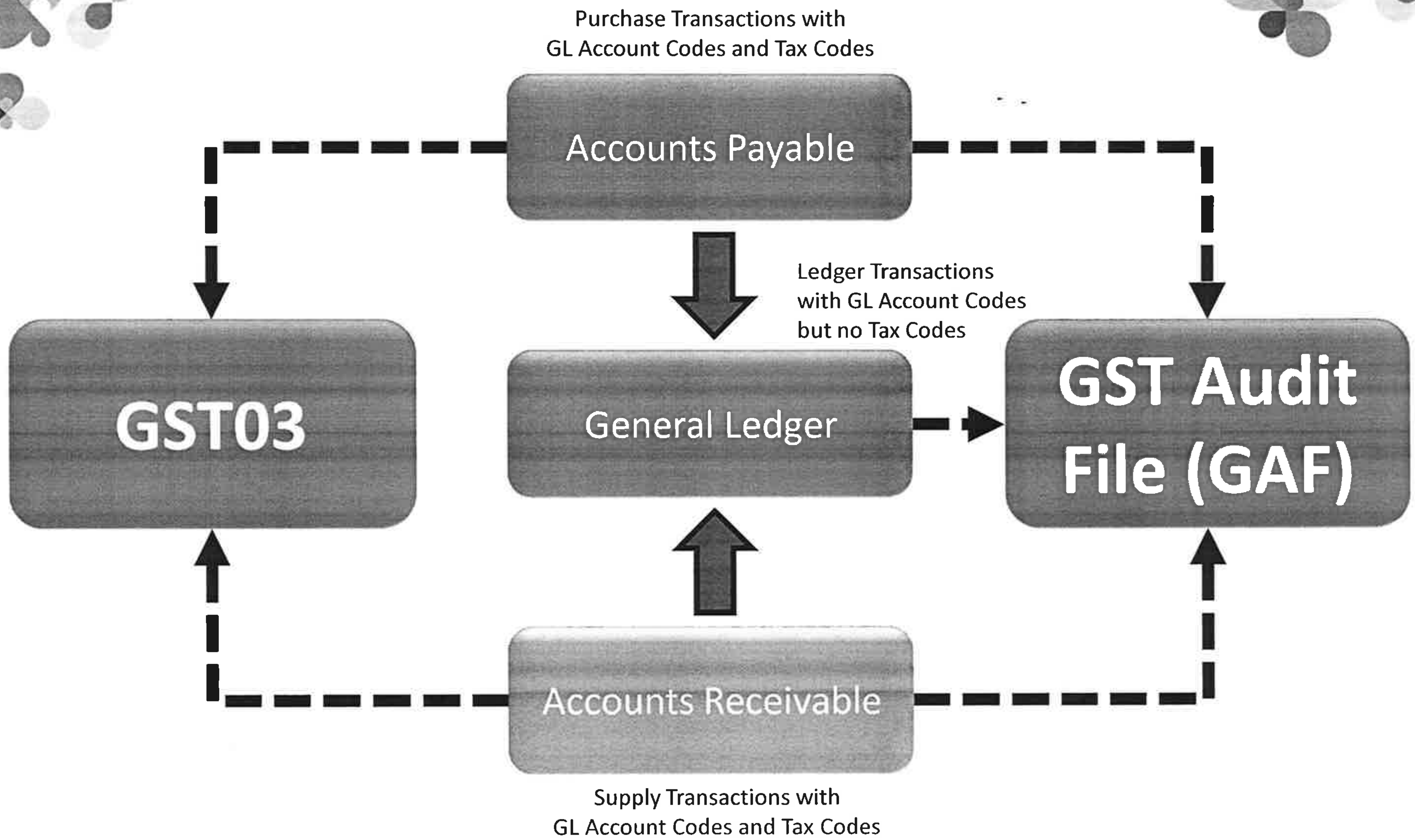
Why is GAF important to JKDM?

Jabatan Kastam Diraja Malaysia (JKDM) will conduct audit on businesses from time to time to ensure that businesses are making correct tax declarations. It is a common procedure for JKDM to request for certain accounting information as part of the audit. For businesses using manual records, the process of producing the records required by JKDM is usually time-consuming. **Businesses using accounting software that is able to generate the GAF would find it easier to meet JKDM requests and this saves the businesses time and effort.**

How can I read GAF?

1. Purchase a GAF Analyser Program
2. Microsoft Excel

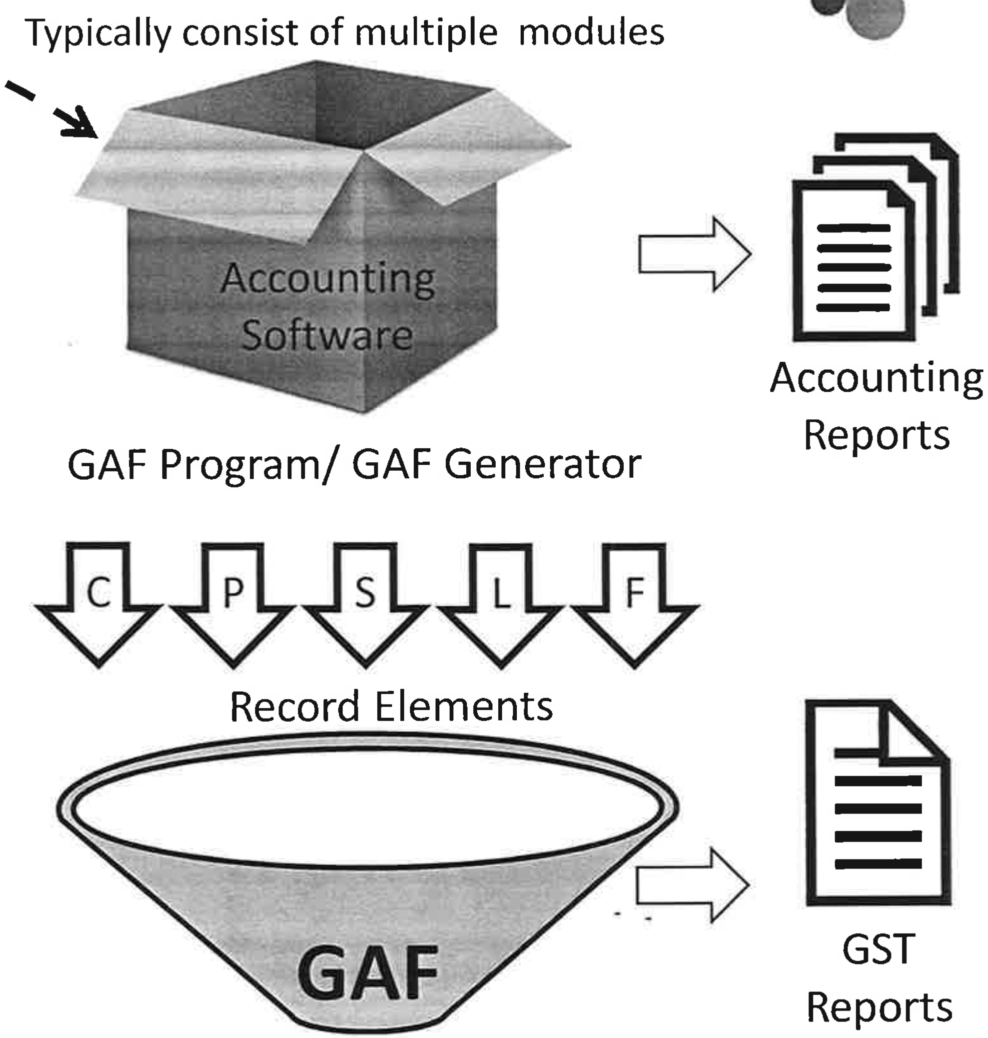
Data Flow for GST03 and GST Audit File (GAF) from an Accoutant's Perspective



GST Audit File (GAF) – A Simplistic Overview

Accounting Transactions
Supplier and Customer Transactions
Inventory Transactions
Manufacturing Transactions
Bank Transactions
Petty Cash Transactions
Journal Entries
Other transactions

How do you update your Accounting Software
→ Manual Input
→ Upload from other Systems
→ System Generated

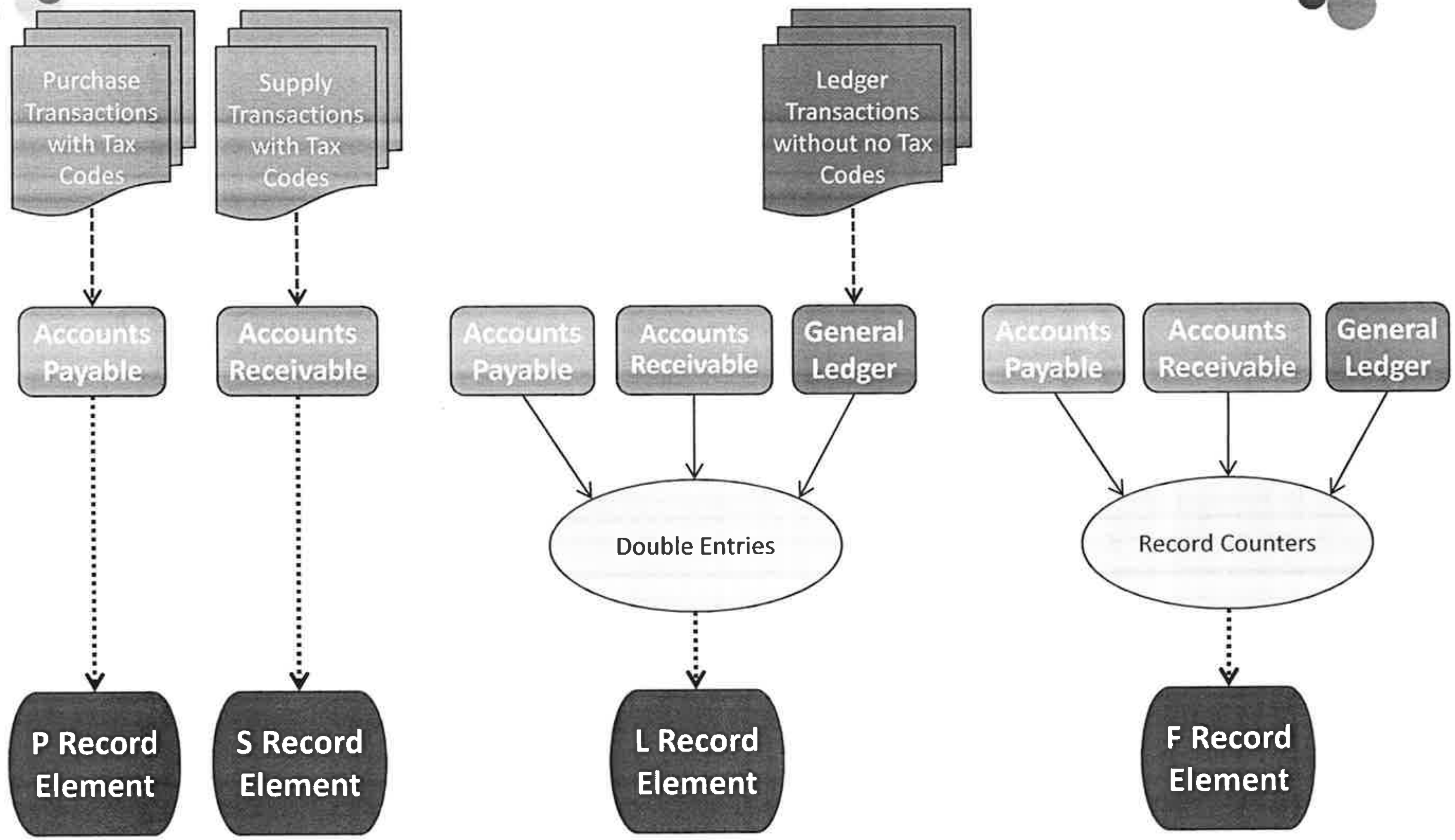


Records Elements in GAF (Overview)

The 5 Record Elements in GAF

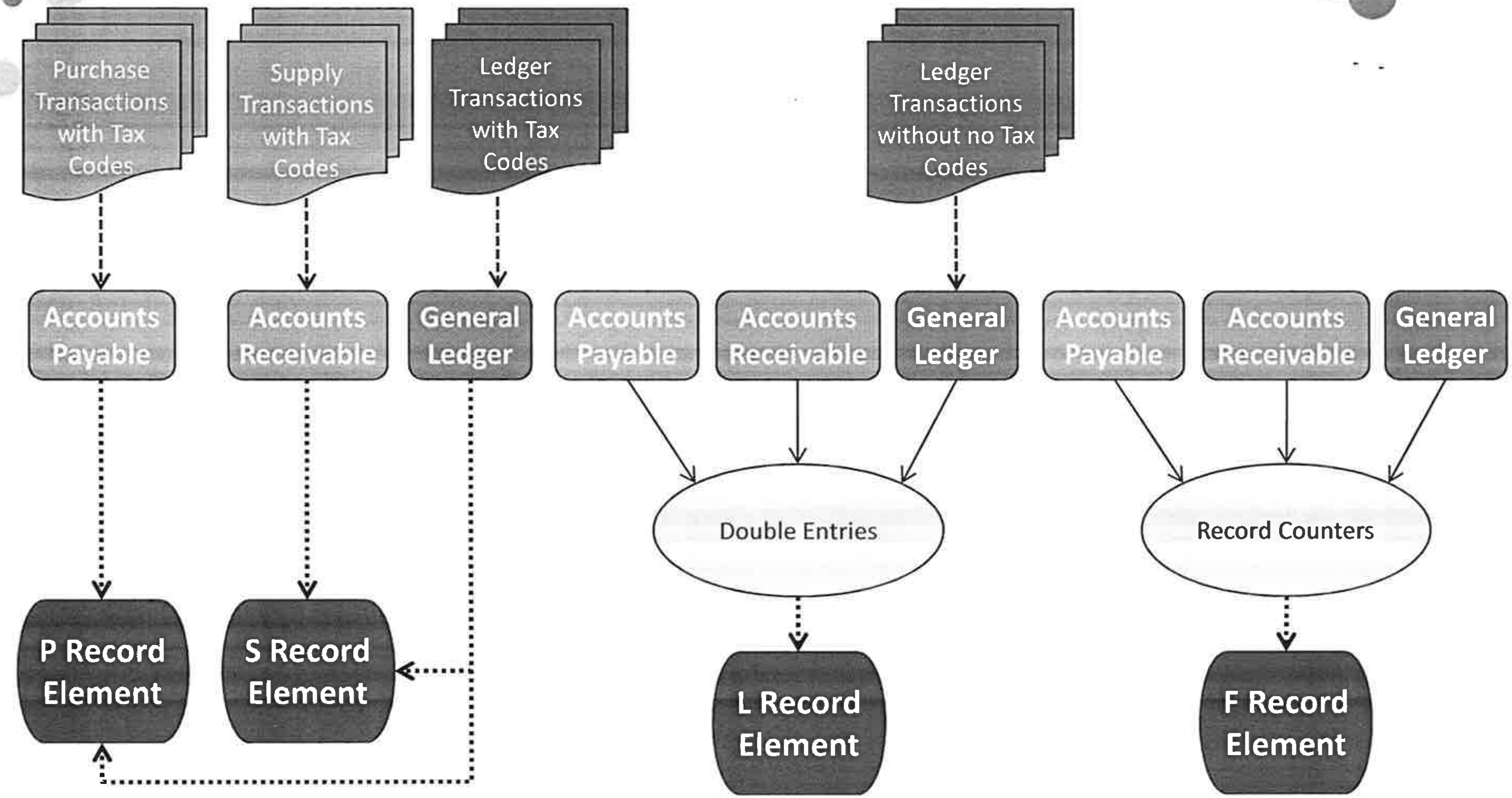
Record Elements	Descriptions
C	Company Information
P	Purchase Transactions (AP)
S	Supply Transactions (AR)
L	Ledger Transactions (GL)
F	Summary Total for P, S & L Record Elements

Diagram showing how the Record Elements in GAF are updated (Scenario 1*)



* As per JKDM Guide on ACCOUNTING SOFTWARE

Diagram showing how the Record Elements in GAF are updated (Scenario 2*)



* *Please check with your Software Developer/ Vendor/ IT Support*
If you enter Supply and Purchase Transactions in GL → Does your Accounting Software update P & S Records Elements in GAF

GST Audit File (GAF)

Version : v2.0

GST Audit File (GAF) Introduction

The GST Audit File is a way for taxpayers to submit information relevant to auditors in response to an audit request on information for auditing purposes. The information provided includes company identifications, names, supply & purchases, and general ledger transactions. There is also a footer record to ensure file integrity.

Note:
Your business will be audited from time to time by JKDM auditors to ensure compliance and you may be required to produce certain accounting information as part of the audit process. If your current accounting software is able to generate operational and financial information, it can be further enhanced to generate a GST Audit File (GAF) report which is a key requirement for GST auditing.

There are two types of files that can be submitted:

1. Bar-Delimited-File (TXT)
2. XML file

which accomplish the same goal whose information will appear the same to auditors.

To recap - Record Elements in GAF

There are 5 Record Elements in GAF

*Company	(C Record Element)	Company, Software and Reporting Period
*Purchase	(P Record Element)	Updates GST03
*Supply	(S Record Element)	
*Ledger	(L Record Element)	No Tax Codes as per JKDM
*Footer	(F Record Element)	To Check Record Integrity

It is your responsibility to know what each Record Element can do during an Audit

C, P, S, L, F Record Elements in GAF

C Record Element

The C Records should contain information about the company for which this file is submitted. There should only be 1 record of this type in any GAF file submitted. If multiple companies need to submit this information it should be done via a separate web request and new file.

P Record Element

The P records should record purchases made by the company defined in the C record.

S Record Element

The S Records should record sales made by the company defined in the C record.

L Record Element

The L record is used to record general ledger transactions by the company.

F Record Element

The F records are used to verify the accuracy of the file being submitted. Only one F record should ever be included on a file.

C, P, S, L, F Record Elements Name in GAF v2.0

You must know the purpose of each Element for you to do the audit

Record Type	Meaning
C	Company
P	Purchase
S	Supply
L	Ledger
F	Footer

	Record Type	Element #	Element Name
	P	1	Record Identifier
	P	2	Supplier Name
	P	3	Supplier BRN
*	**P**	**4**	**Supplier GST Number** NEW
	P	5	Invoice Date
*	**P**	**6**	**Posting Date** NEW
	P	7	Invoice Number
	P	8	Import Declaration Number
	P	9	Line Number
	P	10	Product Description
	P	11	Purchase Value (in MYR)
	P	12	Purchase Value GST Amount
	P	13	Tax Code
	P	14	Foreign Currency Code
	P	15	Purchase Foreign Currency Amount
	P	16	Purchase Currency GST Amount

	Record Type	Element #	Element Name
	S	1	Record Identifier
	S	2	Customer Name
	S	3	Customer BRN
*	**S**	**4**	**Customer GST No** NEW
	S	5	Invoice Date
	S	6	Invoice No
*	**S**	**7** 12	**Export Declaration Number** NEW
	S	8	Line Number
	S	9	Product Description
	S	10	Supply Value (in MYR)
	S	11	Supply Value GST Amount
	S	12	Tax Code
	S	13	Country
	S	14	Foreign Currency Code
	S	15	Supply Foreign Currency Amount
	S	16	Supply Currency GST Amount

Record Type	Element #	Element Name
C	1	Record Identifier
C	2	Company Name
C	3	Company BRN
C	4	Company GST number
C	5	Period Start
C	6	Period End
C	7	GAF Creation Date
C	8	Software Version
C	9	GAF Version

	Record Type	Element #	Element Name
	L	1	Record Identifier
	L	2	Transaction Date
	L	3	Account ID
*	**L**	**4**	**Account Type** NEW PL,
	L	5	Account Name
	L	6	Transaction Description
	L	7	Entity Name
	L	8	Transaction ID
	L	9	Source Document ID
	L	10	Source Type
	L	11	Debit
	L	12	Credit
	L	13	Running Balance

Record Type	Element #	Element Name
F	1	Record Identifier
F	2	Purchase Count
F	3	Purchase Amount Sum
F	4	Purchase GST Amount GST
F	5	Supply Count
F	6	Supply Amount Sum
F	7	Supply GST Amount Sum
F	8	Ledger Count
F	9	Debit Sum
F	10	Credit Sum
F	11	Closing Balance Sum must be zero.

* New Record Type Element Name

There are Record Elements Name Headers for GST Audit File (GAF) v2.0 as per the GST Accounting Software Guide.

C, P, S, L, F Record Elements Header in GAF v2.0

Record Type	Meaning
C	Company
P	Purchase
S	Supply
L	Ledger
F	Footer

	Record Type	Element #	Header
	P	1	P
	P	2	P2_SupplierName
	P	3	P3_SupplierBRN
*	**P**	**4**	**P4_SupplierGSTNo** NEW
	P	5	P5_InvoiceDate
*	**P**	**6**	**P6_PostingDate** NEW
	P	7	P7_InvoiceNo
	P	8	P8_ImportK1No
	P	9	P9_LineNo
	P	10	P10_ProductDescription
	P	11	P11_PValueMYR
	P	12	P12_PGSTValueMYR
	P	13	P13_TaxCode
	P	14	P14_FCYCode
	P	15	P15_PValueFCY
	P	16	P16_PGSTValueFCY

* New Record Type Element Header

	Record Type	Element #	Header
	S	1	S
	S	2	S2_CustomerName
	S	3	S3_CustomerBRN
*	**S**	**4**	**S4_CustomerGSTNo** NEW
	S	5	S5_InvoiceDate
	S	6	S6_InvoiceNo
*	**S**	**7**	**S7_ExportK2No** NEW
	S	8	S8_LineNo
	S	9	S9_ProductDescription
	S	10	S10_SValueMYR
	S	11	S11_SGSTValueMYR
	S	12	S12_TaxCode
	S	13	S13_Country
	S	14	S14_FCYCode
	S	15	S15_SValueFCY
	S	16	S16_SGSTValueFCY

Record Type	Element #	Header
C	1	C
C	2	C2_CompanyName
C	3	C3_CompanyBRN
C	4	C4_CompanyGSTNo
C	5	C5_PeriodStart
C	6	C6_PeriodEnd
C	7	C7_GAFCreationDate
C	8	C8_SoftwareVersion
C	9	C9_GAFVersion

Record Type	Element #	Header
L	1	L
L	2	L2_TransactionDate
L	3	L3_AccountID
L	**4**	**L4_AccountType** NEW
L	5	L5_AccountName
L	6	L6_TransactionDescription
L	7	L7_EntityName
L	8	L8_TransactionID
L	9	L9_SourceDocID
L	10	L10_SourceType
L	11	L11_Debit
L	12	L12_Credit
L	13	L13_RunningBalance

Record Type	Element #	Header
F	1	F
F	2	F2_CountPRecord
F	3	F3_SumPValueMYR
F	4	F4_SumPGSTValueMYR
F	5	F5_CountSRecord
F	6	F6_SumSValueMYR
F	7	F7_SumSGSTValueMYR
F	8	F8_CountLRecord
F	9	F9_SumLDebit
F	10	F10_SumLCredit
F	11	F11_SumLCloseBalance

Diagram showing how the Records Elements are integrated

P Record Element

Record Type	Element #	Element Name	Link To		
P	1	Record Identifier		F2	
P	2	Supplier Name	L7		
P	3	Supplier BRN			
P	4	Supplier GST Number			
P	5	Invoice Date	L2		
P	6	Posting Date			
P	7	Invoice Number	L9		
P	8	Import Declaration Number			
P	9	Line Number			
P	10	Product Description	L6		
P	11	Purchase Value (in MYR)	L11, L12	F3	
P	12	Purchase Value GST Amount	L11, L12	F4	
P	13	Tax Code			
P	14	Foreign Currency Code			
P	15	Purchase Foreign Currency Amount			
P	16	Purchase Currency GST Amount			

S Record Element

Record Type	Element #	Element Name	Link To		
S	1	Record Identifier		F5	
S	2	Customer Name	L7		
S	3	Customer BRN			
S	4	Customer GST No			
S	5	Invoice Date	L2		
S	6	Invoice No	L9		
S	7	Export Declaration Number			
S	8	Line Number			
S	9	Product Description	L6		
S	10	Supply Value (in MYR)	L11, L12	F6	
S	11	Supply Value GST Amount	L11, L12	F7	
S	12	Tax Code			
S	13	Country			
S	14	Foreign Currency Code			
S	15	Supply Foreign Currency Amount			
S	16	Supply Currency GST Amount			

L Record Element

Record Type	Element #	Element Name	Link To		
L	1	Record Identifier			F8
L	2	Transaction Date	P5	S5	
L	3	Account ID			
L	4	Account Type			
L	5	Account Name			
L	6	Transaction Description	P10	S9	
L	7	Entity Name	P2	S2	
L	8	Transaction ID			
L	9	Source Document ID	P7	S6	
L	10	Source Type			
L	11	Debit	P11, P12	S10, S11	F9
L	12	Credit	P11, P12	S10, S11	F10
L	13	Running Balance			F11

F Record Element

Record Type	Element #	Element Name	Link To		
F	1	Record Identifier			
F	2	Purchase Count	P1		
F	3	Purchase Amount Sum	P11		
F	4	Purchase GST Amount GST	P12		
F	5	Supply Count		S1	
F	6	Supply Amount Sum		S10	
F	7	Supply GST Amount Sum		S11	
F	8	Ledger Count			L1
F	9	Debit Sum			L11
F	10	Credit Sum			L12
F	11	Closing Balance Sum			L13

Questions and Answers


THANK YOU!