

GST Payment on Imported Goods

Questions:

Our forwarder will pay our GST Tax on behalf of us for all import shipment .

Hence , when we match foreign supplier invoices , we do not pay GST to the supplier . We have to key in tax code for IM for this supplier but the tax rate is zero .

However , when we pay to forwarder we need to pay 6% of the foreign bill amount .

Please advise how QnE Software handle this transaction .

QNE provide a facility to handle this issues, Please follow the steps by steps guide below:

1. For example, the purchase invoice from Oversea Supplier is USD 100,000, Please select the tax code IM0 when you input the purchase invoice as below:

Purchase Invoice Tax Inclusive

FROM: OVERSEAR SUPPLIER
ADDRESS:
ATTENTION:
DELIVERY TERM:

PURCHASE INVOICE NO.: BIL1504/001
DATE: 01/04/2015
REF. NO.:
CREDITOR DO NO.:
CREDITOR INV NO.: BIL1504/001
PURCHASER:
TERM: C.O.D.

#	Stock Code	Description	Project	Qty	UDM	U. Price	Discount	Amount	GST Tax Code	Tax	GST Rate
1	AMD-XP/180	AMD XP 1800		1	UNITS	100,000.00		100,000.00	IM0	N/A	0.00

Row: 1 [Length: 0]

TOTAL GST AMOUNT: 0.00

TOTAL:	100,000.00
NET TOTAL:	100,000.00
LOCAL NET TOTAL:	380,000.00

Currency: USD Rate: 3.80000000

Please take note that, GST will be imposed when we remove the goods from customs, since Oversea Supplier is not a Malaysia GST registered company, Oversea Supplier cannot charge us GST and GST rate is zero, thus, we cannot use the tax code IM now. And we should use the tax code IM0.

2. When you make a payment to your supplier, you can make payment anytime and it is not subject for GST.

- However, When we make payment to Forwarder, we need to pay the GST at the same time since the Forwarder Company already make the payment of GST on our behalf. At this time, Please go to General Ledgers>Payment Vouchers, enter the payment to the forwarded company.

For example, Carriage Inwards – RM2000 , for the payment of GST, please right click and select “Imported Goods Removed From Customs Control (K1).

Payment

PAY TO: Forwarder Company

PAYMENT BY: MAYBANK

CHEQ/REF:

Detail Posting in Payment Journals Currency: RM Rate: 1.00000000

Post Notes as 2nd Description Tax Inclusive

Account | Note | Attachments | Amendment | Info | Clear After Save P.D Cheque Cancelled

Acc Code	Acc Desc	Description	Project	Amount	GST Tax Code	Tax	GST Rate
205-0000	CARRIAGE INWAR	MAYBANK		2,000.00	TXE	Standard-Rated	6.00

- After right click, you should be able to see the below screen, Please follow the steps below, GST is charges based on the Assessed Value by Customs, there is instances that the purchase invoice amount will not be the same as the assessed value, thus, we have to change the “Total Assessed Amount” in the step 6 below:

Filter Option

Creditor Code: 800-0001 Date From: / / GST Tax Code: IMO Inquiry

Date To: / /

Posting Account: 205-0000 Import Declaration No: IM#123456789 GST Tax Code: IM Total Assessed Amount: 500000

CARRIAGE INWARDS Total Payment To Customs: 2000.00

DOCCODE	DOCCDATE	GLACCOUNTCODE	DESCRIPTION	AMOUNT	TAXCODE	RATE	TAXAMOUNT	NET AMOUNT	ASSESSED AMOUNT
BIL1504/001									
<input checked="" type="checkbox"/>	01/04/15	203-0000	AMD XP 1800	380,000.00	IMO	0.00	0.00	380,000.00	380,000.00

- After you click the OK button, you should be able to see the below payment voucher with the status "Imported Goods (K1)"

Acc Code	Acc Desc	Description	Project	Amount	GST Tax Code	Tax	GST Rate	Country Code	GST Tax Class	Import Declaration No.
205-0000	CARRIAGE INWAR	Goods Removed From Customs Control (K1)		2,000.00	IM	Standard-Rated	6.00			IM#12345678

- Click Save then view the journal button and you should be able to see the below posting:

If tax exclusive the posting will be as below:

Date	A/C Code	A/C Name	Description	Project	Reference No	Debit	Credit
15/04/2015	700-9999	GST INPUT TAX	Forwarder Company			30,000.00	
15/04/2015	205-0000	CARRIAGE INWAR	Forwarder Company			2,000.00	
15/04/2015	700-9999	GST INPUT TAX	Forwarder Company			120.00	
15/04/2015	700-0310	MAYBANK	Forwarder Company				32,120.00
			Total:			32,120.00	32,120.00

Note:

The Calculation of the Input tax from Carriage Inwards is MYR 2,000 x 6% = MYR 120

The Input Tax will be calculated from "Total Assessed Amount" MYR 500,000 x 6% = 30,000