TreezSoft

Getting Started Manual For GST

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Managed by **Agile Matrix Solutions Sdn Bhd**

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For information about customer support, please visit our homepage at http://www.treezsoft.com on the World Wide Web.

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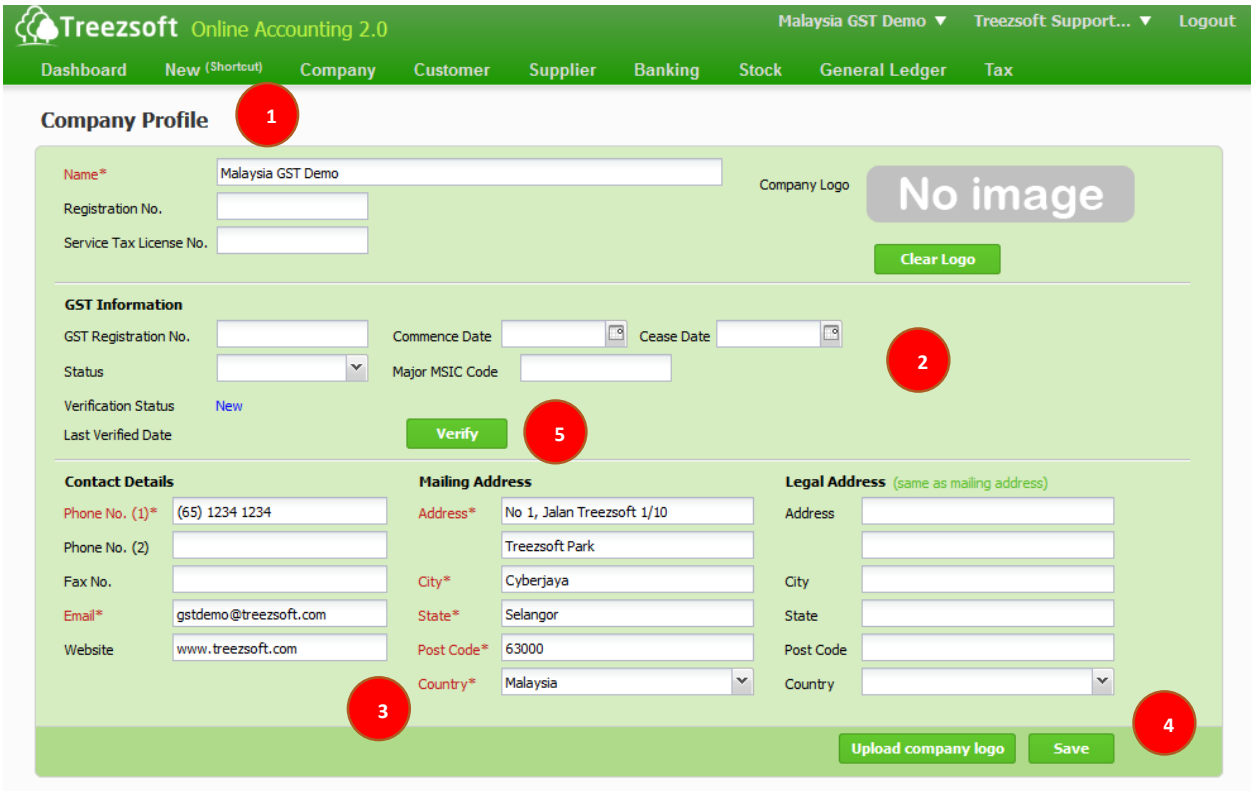
Contents

Step 1: How to Activate GST Module? 5
Step 2: Verify Activated GST Module 6
2.1 Verify GST Related Account Code 7
2.2 Verify GST Code 8
2.3 Verify GST Preference 9
2.4 Verify GST Document Number 10
2.5 Verify Supplier GST Information 11
Step 3: Issue Full Tax Invoice 12
Step 4: Issue Simplified Tax Invoice 13
Step 5: Issue Credit Note 14
Step 6: Issue Debit Note 16
Step 7: 21 Days Rule 18
Step 8: Deposit or Advance Payment 20
Step 9: Record Purchase 21
Step 10: Blocked Input Tax for Simplified Tax Invoice 22
Step 11: Record Purchase Credit Note 23
Step 12: Record Purchase Debit Note 25
Step 13: Import Goods 26
Step 14: Reverse Charge (Import Service) 29
Step 15: Defer GST Date 31
Step 16: Gift Given (Gift Rule) 32
Step 17: Bad Debt Relief for Sales 33
Step 18: Bad Debt Recover for Sales 34
Step 19: Bad Debt Relief for Purchase 36
Step 20: Bad Debt Recover for Purchase 37
Step 21: Activate Self-billed Tax Invoice 39
Step 22: Issue Self-billed Tax Invoice 41
Step 23: Generate/Submit GST Return 42
Step 24: Record Payment/Refund of GST 46
24.1 Record Payment of GST that paid to Customs 46

24.2 Record Claim of GST that refund from Customs 47
Step 25: Download GST Audit File (GAF) 48
Step 26: Print Lampiran 2 49
Step 27: Dashboard 50

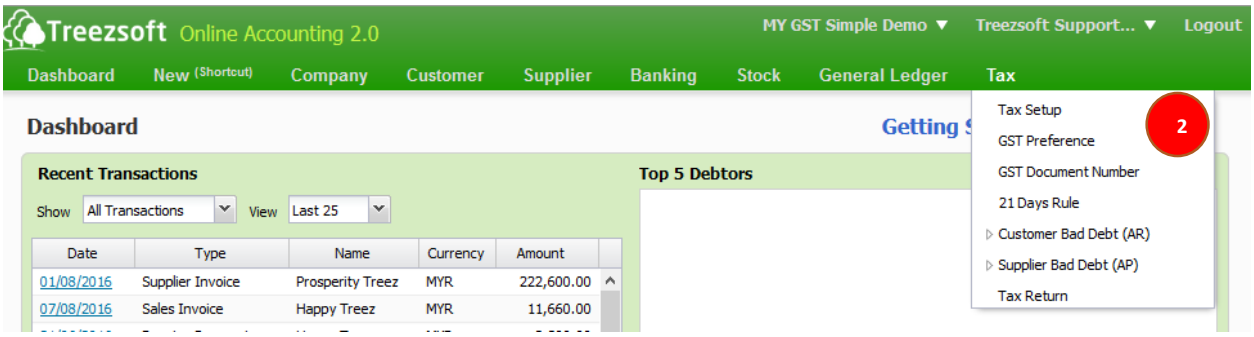
Step 1: How to Activate GST Module?



1. Go to **Company Profile** (under **Company** module).
2. Fill in your company **GST Information**.
    a. **Status** shall be **Active**.
    b. For your **Major MSIC Code**, please refer http://www.statistics.gov.my/portal/index.php?option=com_content&view=article&id=1492&Itemid=99&lang=en.
3. Ensure company is registered in **Malaysia**.
4. Save the form.
5. Access https://gst.customs.gov.my/TAP/_/#1 to ensure the inserted GST information is correct, then click **Verify** button to activate GST module.

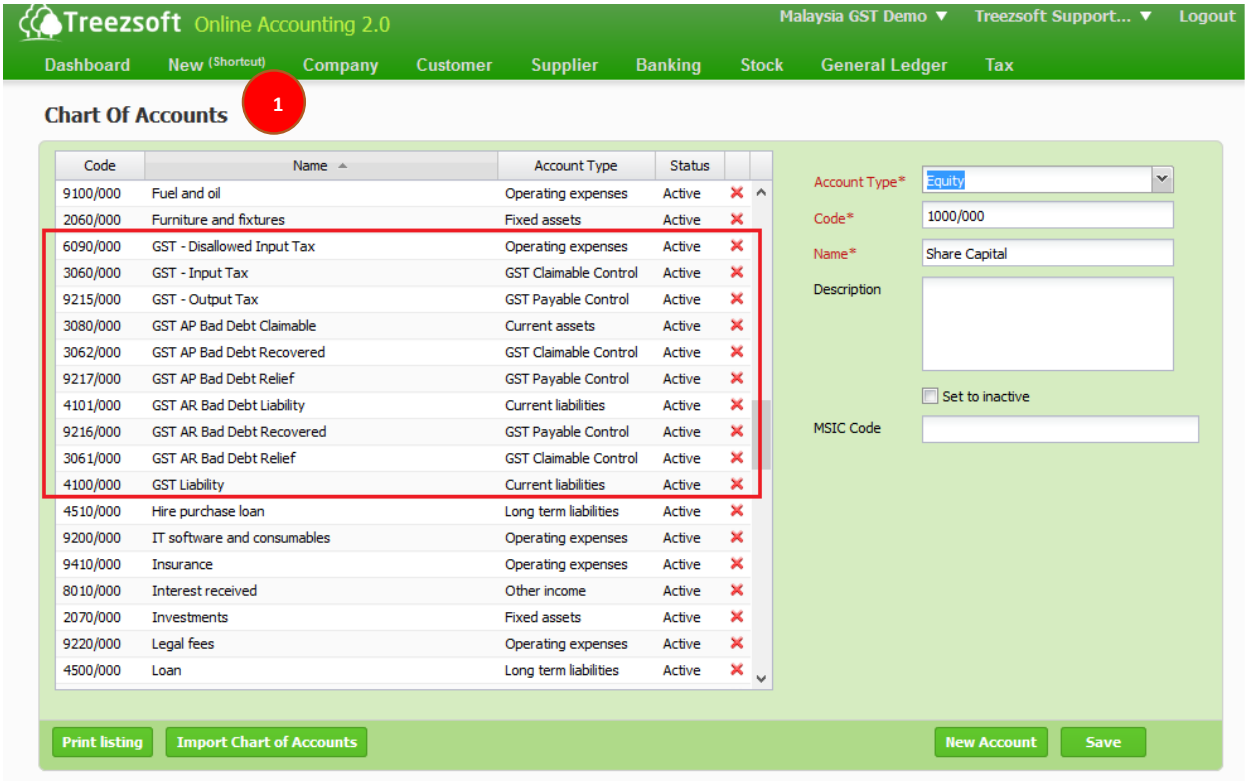
*Note: If your business involved more than 1 MISC code, you could setup them separately in **Chart of Account** or **Stock Group**. By doing so, system would auto calculate MISC code amount breakdown in GST return.*

Step 2: Verify Activated GST Module



1. If you just activated GST module from step 1, please re-login.
2. You would able to find GST features under **Tax** module.

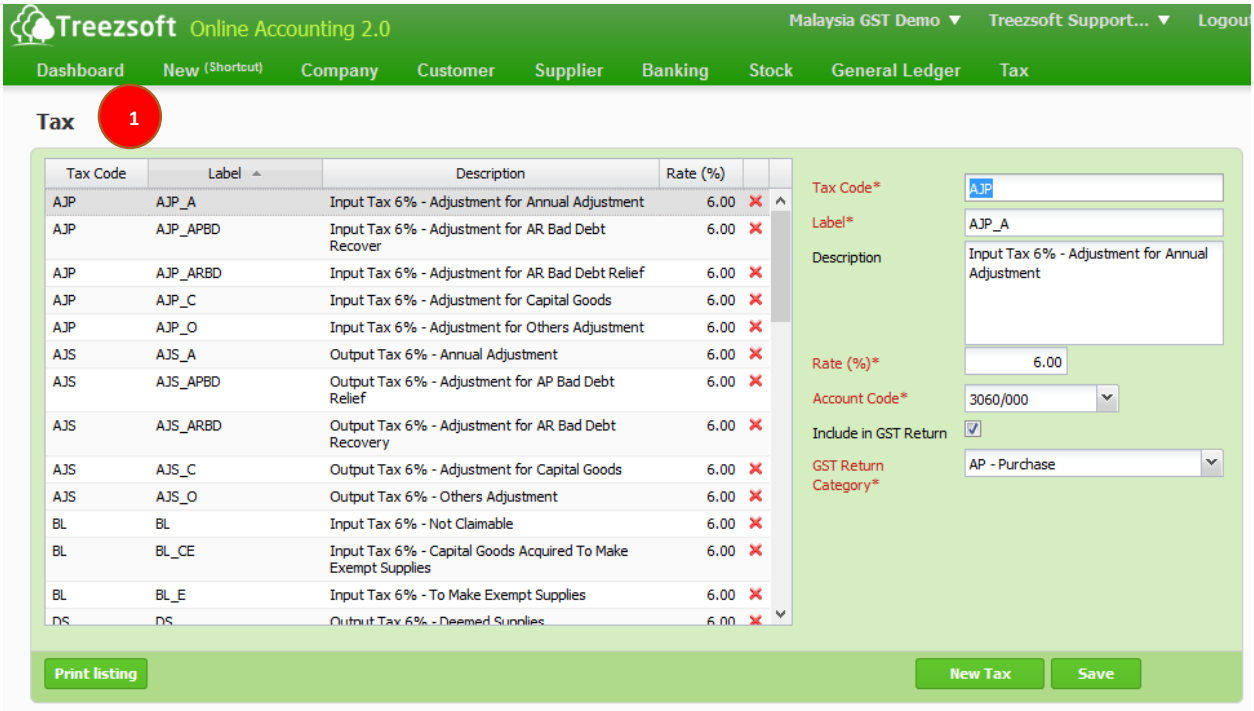
2.1 Verify GST Related Account Code



1. Go to **Chart of Accounts** (under **Company** module).
2. You would be able to find pre-loaded GST related account code. (total of 15 GST related account code pre-loaded)
3. You may change them based on your needs, but remember to review your **Tax Setup** and **GST Preference** first under **Tax** module if they are affected.

*Note: If your business involved more than 1 MISC code, you could setup them separately in **Chart of Account** or **Stock Group**. By doing so, system would auto calculate MISC code amount breakdown in GST return.*

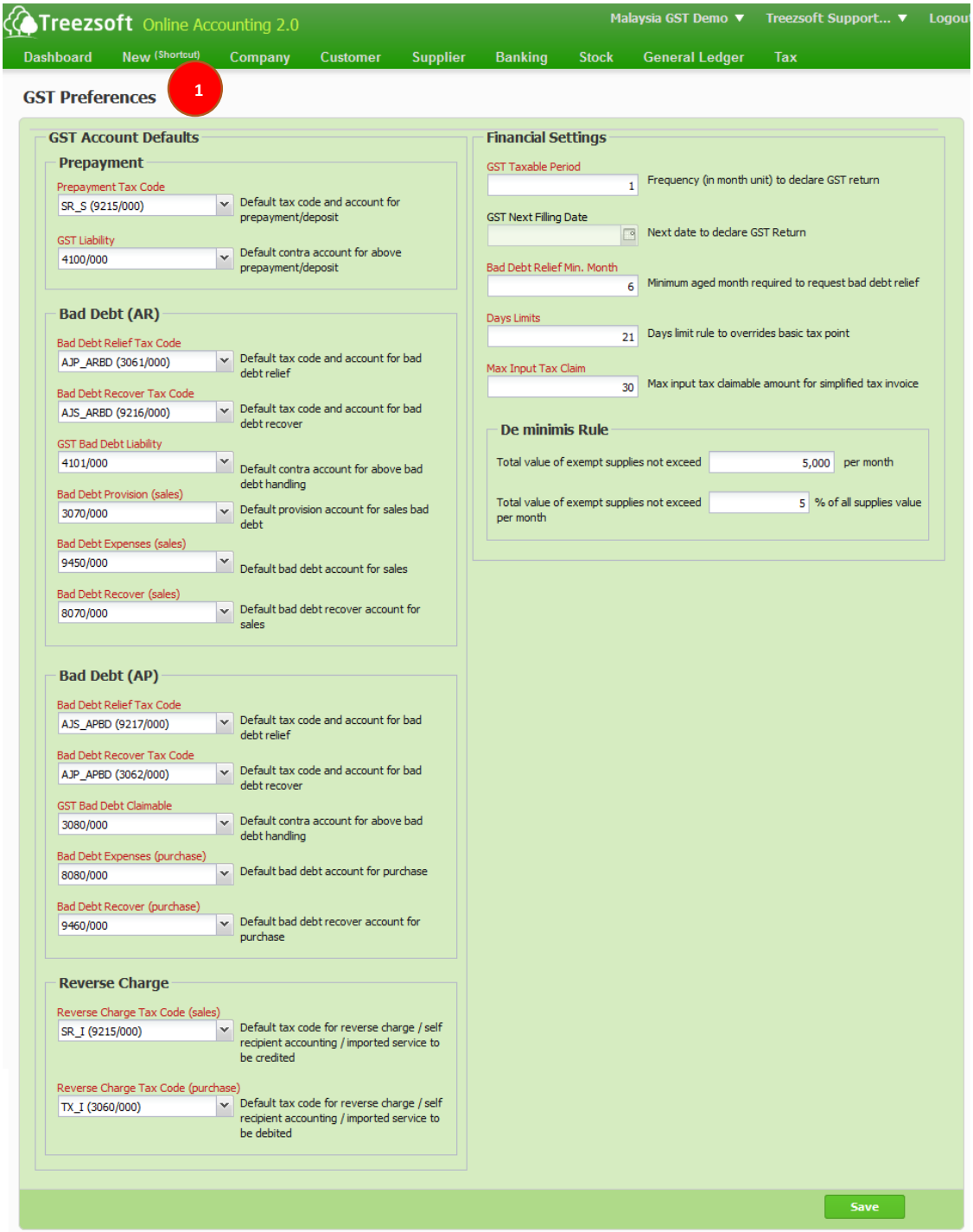
2.2 Verify GST Code



1. Go to **Tax Setup** (under **Tax** module).
2. You would be able to find pre-loaded GST code with corresponding description and rate. (total of 39 GST code pre-loaded)

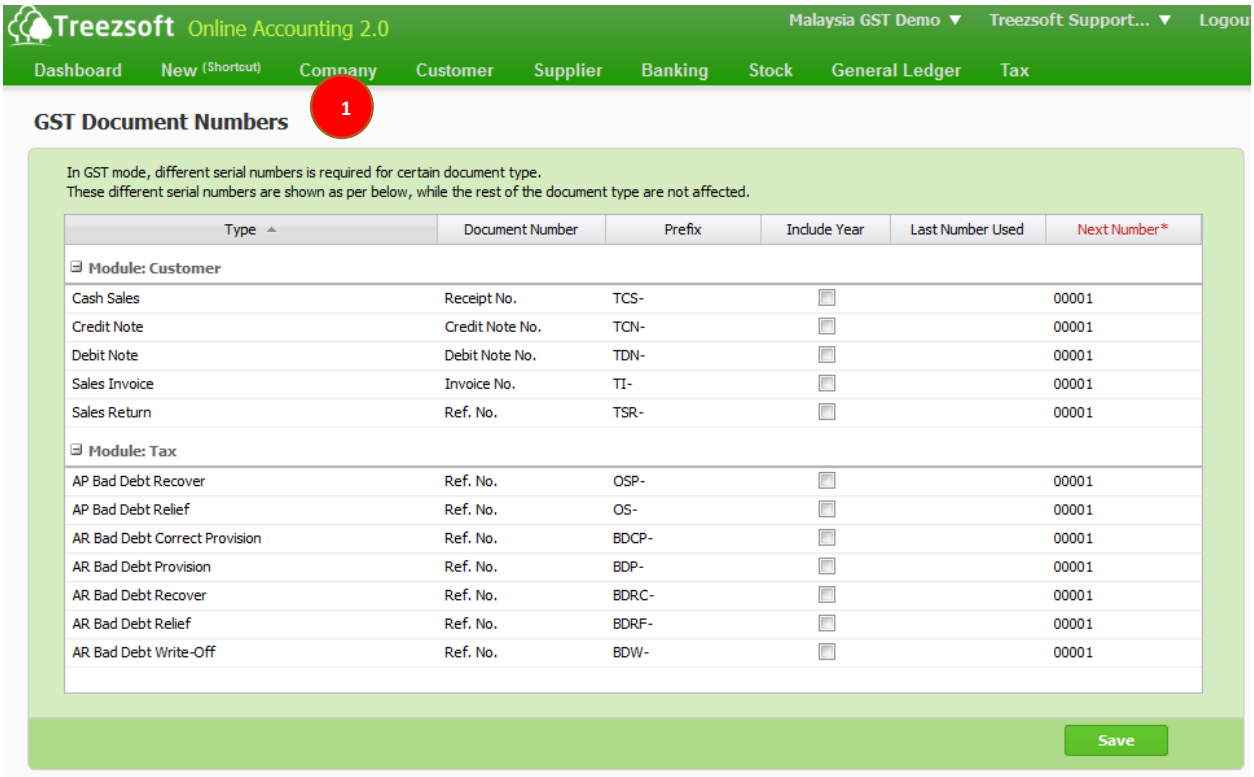
Note: The pre-loaded GST code has compliance with RMCD. If you need any changes, please contact support@treezsoft.com.

2.3 Verify GST Preference



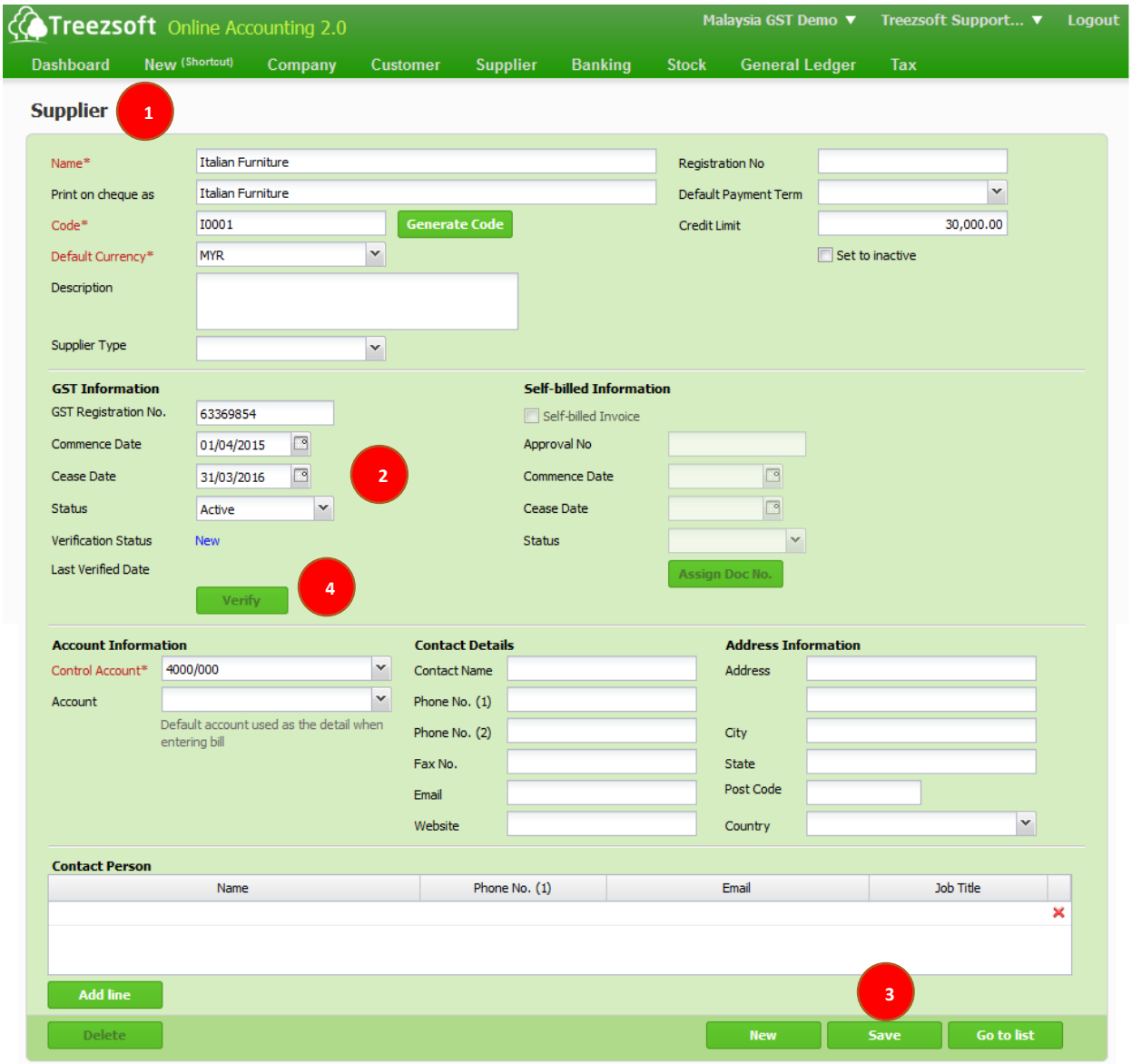
1. Go to **GST Preference** (under **Tax** module).
2. You would be able to find pre-loaded GST preference with corresponding description.

2.4 Verify GST Document Number



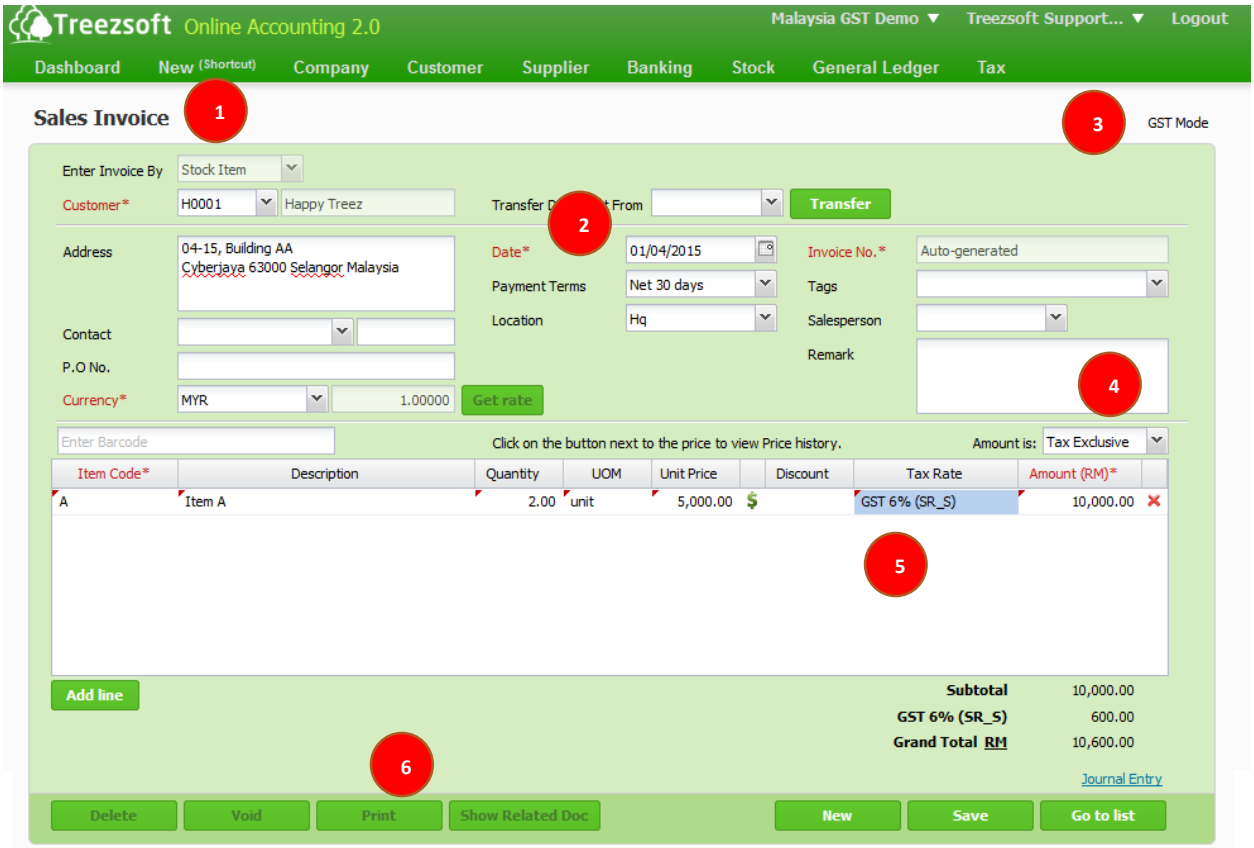
1. Go to **GST Document Numbers** (under **Tax** module).
2. You would be able to find pre-loaded GST document number.
3. You may change the document number by changing the **Prefix** or **Include year** (to include calendar year in the document number, e.g. TCS-2015-00001).

2.5 Verify Supplier GST Information



1. Go to **Manage > Suppliers** (under **Supplier** module), and click **New Supplier**.
2. Fill in supplier **GST Information**. **Status** shall be **Active**.
3. Save the form.
4. Access https://gst.customs.gov.my/TAP/_/#1 to ensure the inserted GST information is correct, then click **Verify** button to confirm.

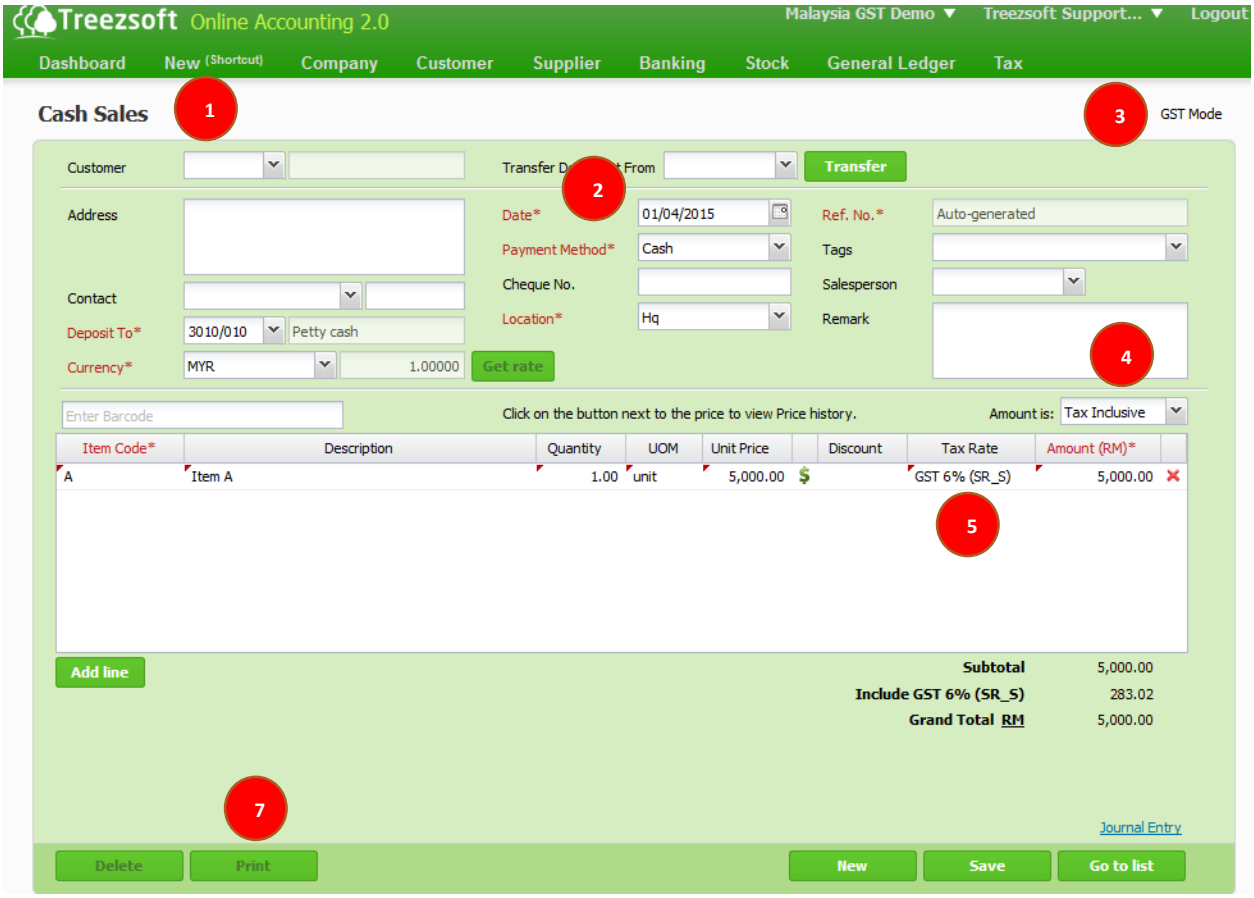
Step 3: Issue Full Tax Invoice



1. Go to **Sales Invoice** (under **Customer** module), and click **New Sales Invoice**.
2. Select **Date** of invoice.
3. Observe whether it is in **GST Mode**.
4. Determine whether amount is **Tax Exclusive** or **Tax Inclusive**.
5. Charge your item with appropriate **Tax Rate**.
6. **Save** first and then **Print** your full tax invoice.

*Note: If you try to issue invoice with invoice date is out of your company GST commence and cease date, the indicator **GST Mode** would disappear and you are not allowed to charge GST.*

Step 4: Issue Simplified Tax Invoice



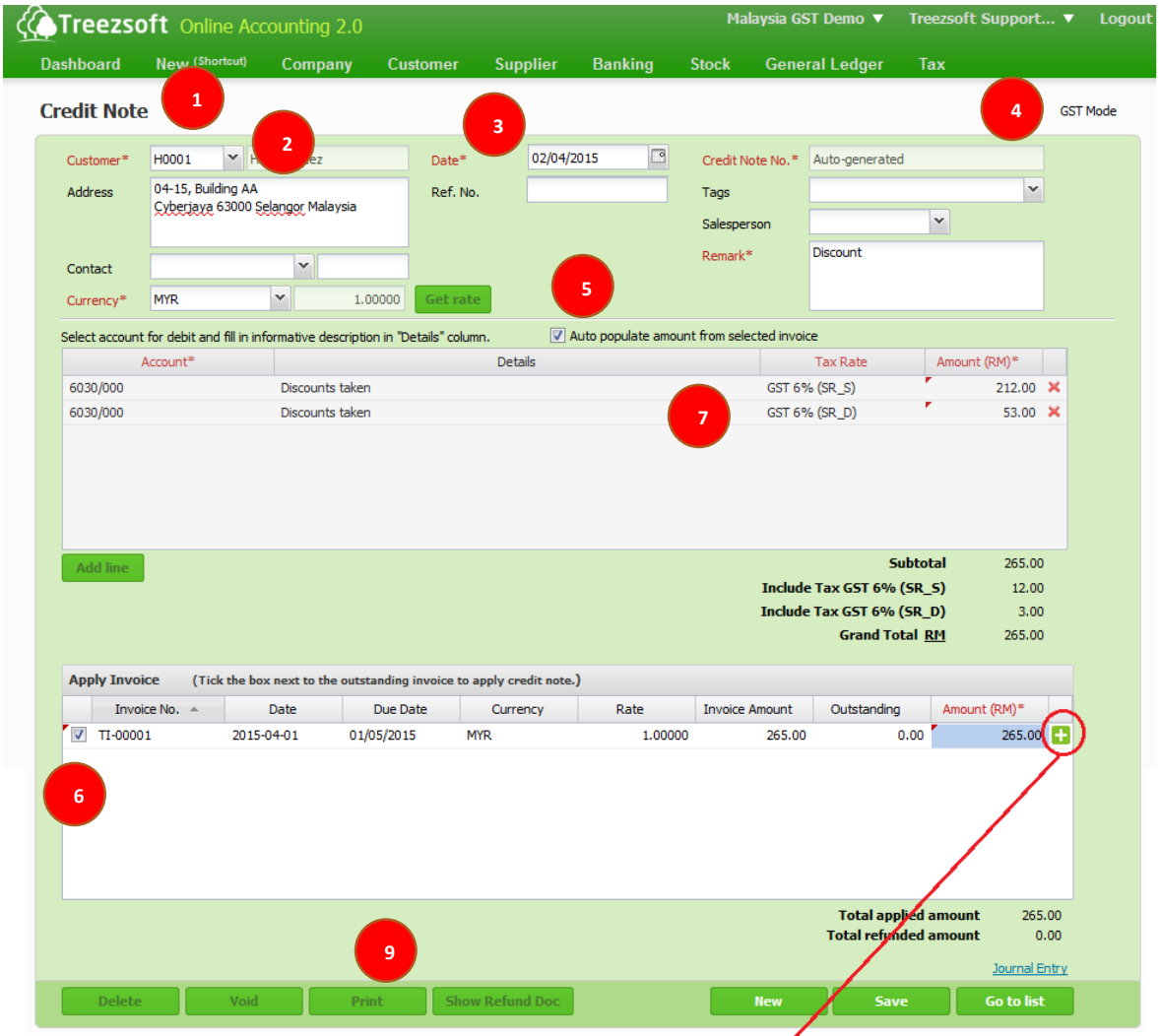
1. Go to **Cash Sales** (under **Customer** module), and click **New Cash Sales**.
2. Select **Date** of cash sales.
3. Observe whether it is in **GST Mode**.
4. Determine whether amount is **Tax Exclusive** or **Tax Inclusive**.
5. Charge your item with appropriate **Tax Rate**.
6. Ensure NO **Customer** selected.
7. **Save** first and then **Print** your simplified tax invoice.

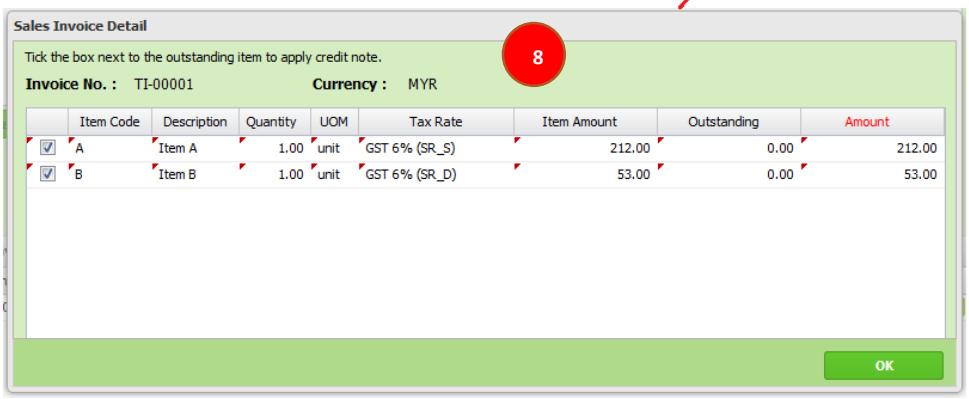
Note:

*If you try to issue invoice with invoice date is out of your company GST commence and cease date, the indicator **GST Mode** would disappear and you are not allowed to charge GST.*

*If customer request for full tax invoice, just full in **Customer** and **Address,** then re-print.*

Step 5: Issue Credit Note





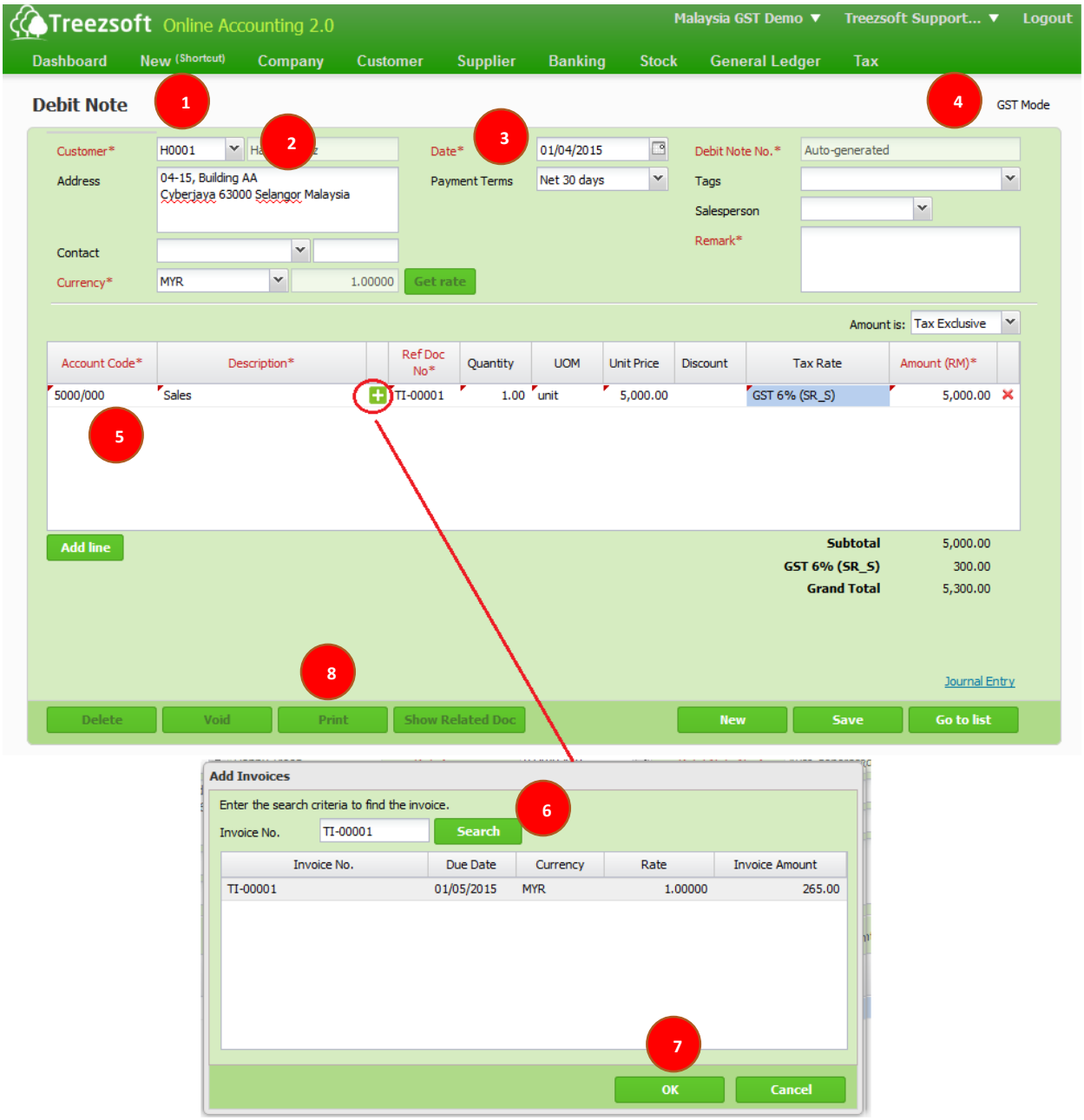
1. Go to **Refund & Credit > Credit Note** (under **Customer** module), and click **New Credit Note**.
2. Select **Customer** to credit.
3. Select **Date** of credit note.
4. Observe whether it is in **GST Mode**.
5. Tick **Auto populate amount form selected invoice**. (System will auto determine amount, GST amount and corresponding GST code to be credited based on selected invoices)
6. Select invoices to be credited.
7. Observer auto populated amount and GST code to be credited. (System will credit as **Discount allowed** by default)
8. If you would like to check what item is credited, click on "**+**" button. In the pop up screen, you could further select which item to be credited.
9. **Save** first and then **Print** your credit note.

Note:

*If you try to issue credit note with credit note date is out of your company GST commence and cease date, the indicator **GST Mode** would disappear and you are not allowed to charge GST.*

*If you would like manually assign the account code to be credited, un-tick **Auto populate amount form selected invoice** and the account code table would be available for editing.*

Step 6: Issue Debit Note



1. Go to **Refund & Credit > Debit Note** (under **Customer** module), and click **New Debit Note**.
2. Select **Customer** to debit.
3. Select **Date** of debit note.
4. Observe whether it is in **GST Mode**.

5. Select account to be credited.
6. Click on “+” button to search the invoice to be debited.
7. After selected the invoice, click **OK**.
8. **Save** first and then **Print** your debit note.

*Note: If you try to issue debit note with debit note date is out of your company GST commence and cease date, the indicator **GST Mode** would disappear and you are not allowed to charge GST.*

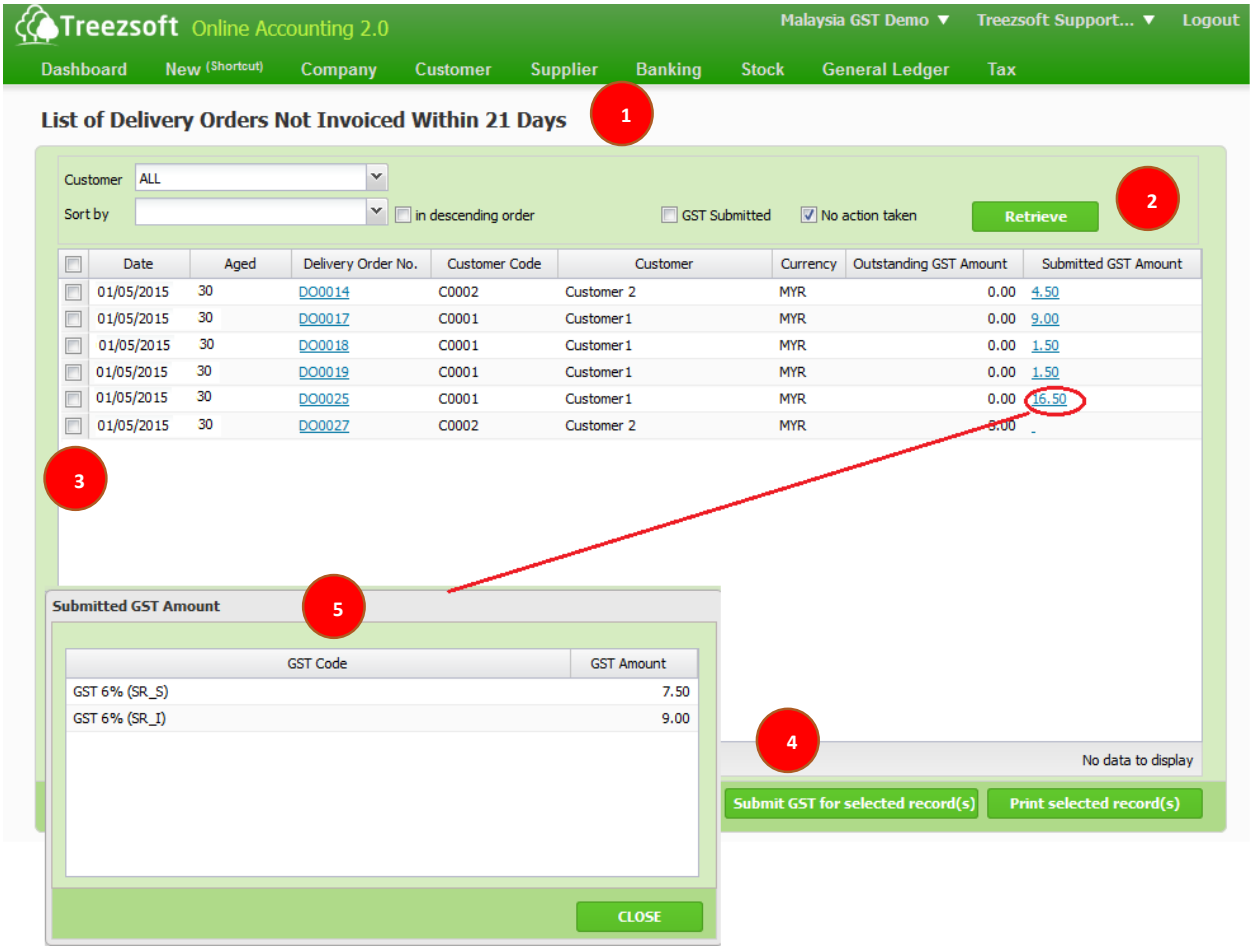
Step 7: 21 Days Rule

***Definition**:*

*If the tax invoice is issued by supplier within 21 days from the date of goods delivered or services performed and no payment is made since then, the date of invoice will be considered as **Time of Supply**.*

*However, if the tax invoice is not issued within 21 days from the date of goods delivered or services performed, then the **Time of Supply** will have to fall back to the date of delivery.*

Below listed the steps on how to declare GST for your delivery order which tax invoice is not issued within 21 days from the delivery order date.



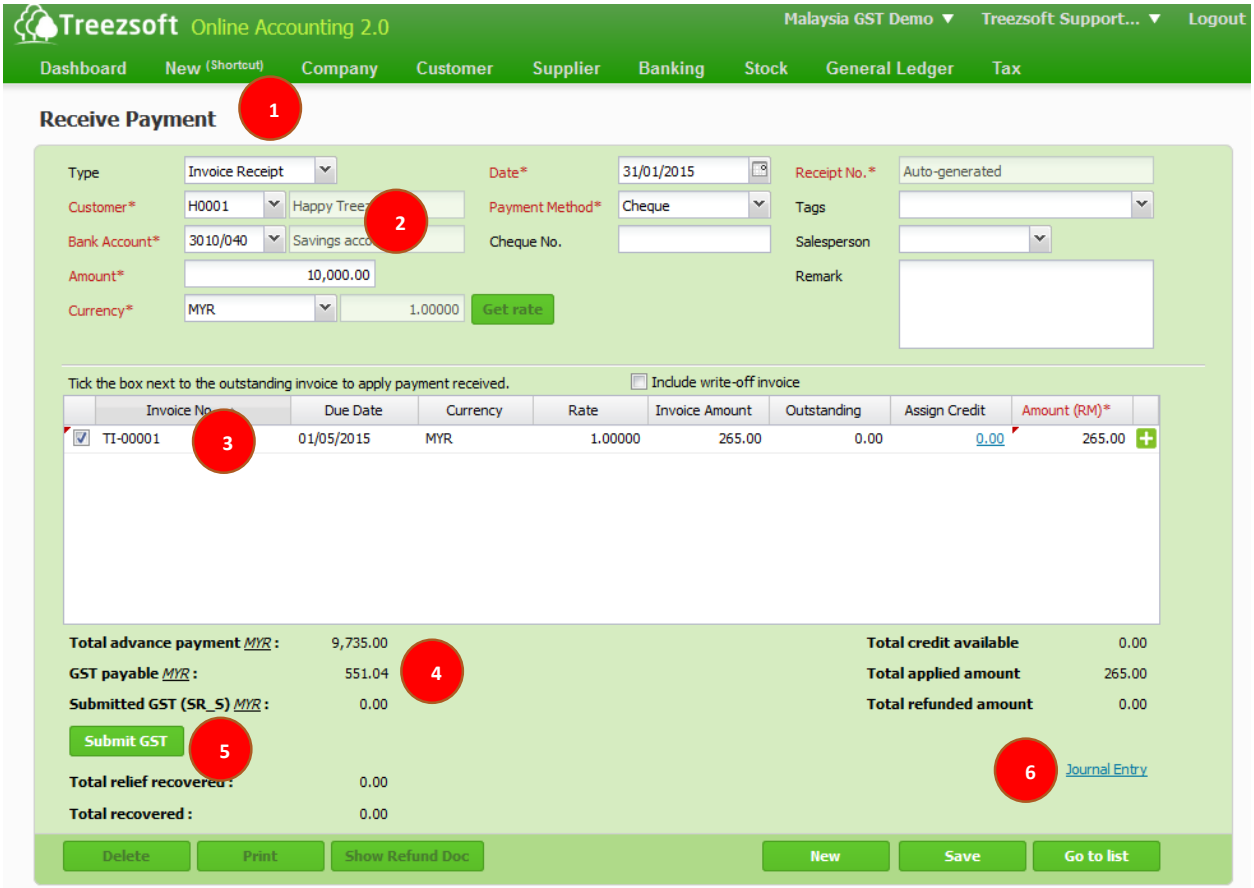
1. Go to **21 Days Rule** (under **Tax** module).
2. **Retrieve** all delivery order that not issued tax invoice within 21 days or retrieve delivery order that has declared GST.

3. Select delivery order which still have **Outstanding GST Amount**.
4. Declare GST by click on **Submit GST for selected record(s)**.
5. To view which GST code has been declared, click on the hyperlink under **Submitted GST Amount**.

Note: When you issue tax invoice for a delivery order where invoice date is after 21 days of DO date, GST would be auto declared for the DO instead of the tax invoice.

Step 8: Deposit or Advance Payment

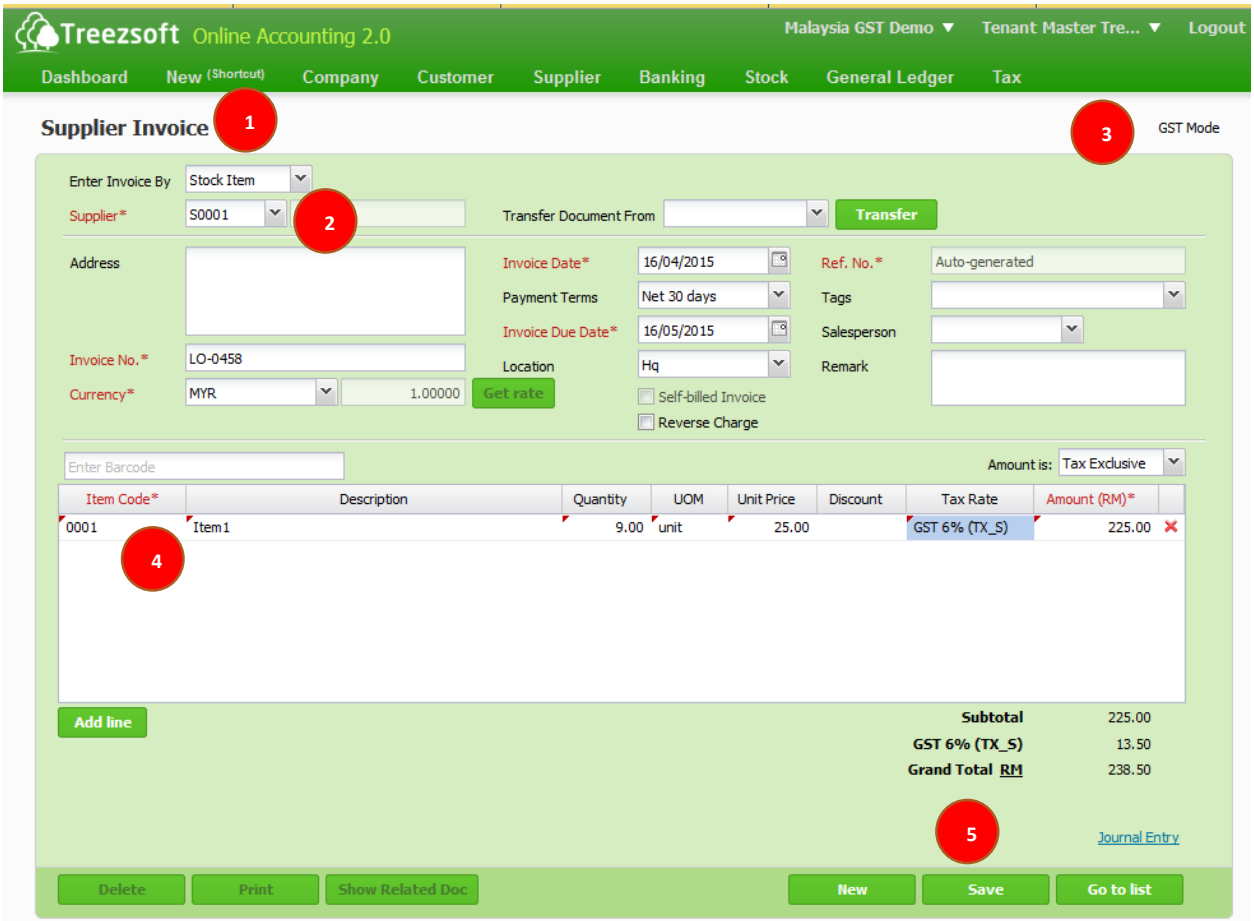
***Definition**: If the deposit forms part payment of the total consideration payable by the recipient, GST will be chargeable at the time of payment of the deposit. On the other hand, if the deposit are used as security and will be fully refunded upon completion of services, no GST will be chargeable.*



1. Go to **Receive Payment** (under **Customer** module), and click **New Receive Payment**.
2. Select **Invoice Receipt**, **Customer**, and fill in **Amount** received**.**
3. If have invoice to be paid, just tick on it.
4. Any unapplied received amount would be considered as deposit or advance payment. System will auto calculate **GST payable MYR** based on **Total advance payment MYR**.
5. Click **Submit GST** to declare GST for advance payment.
6. Click **Journal Entry** hyperlink to verify inserted double entry.

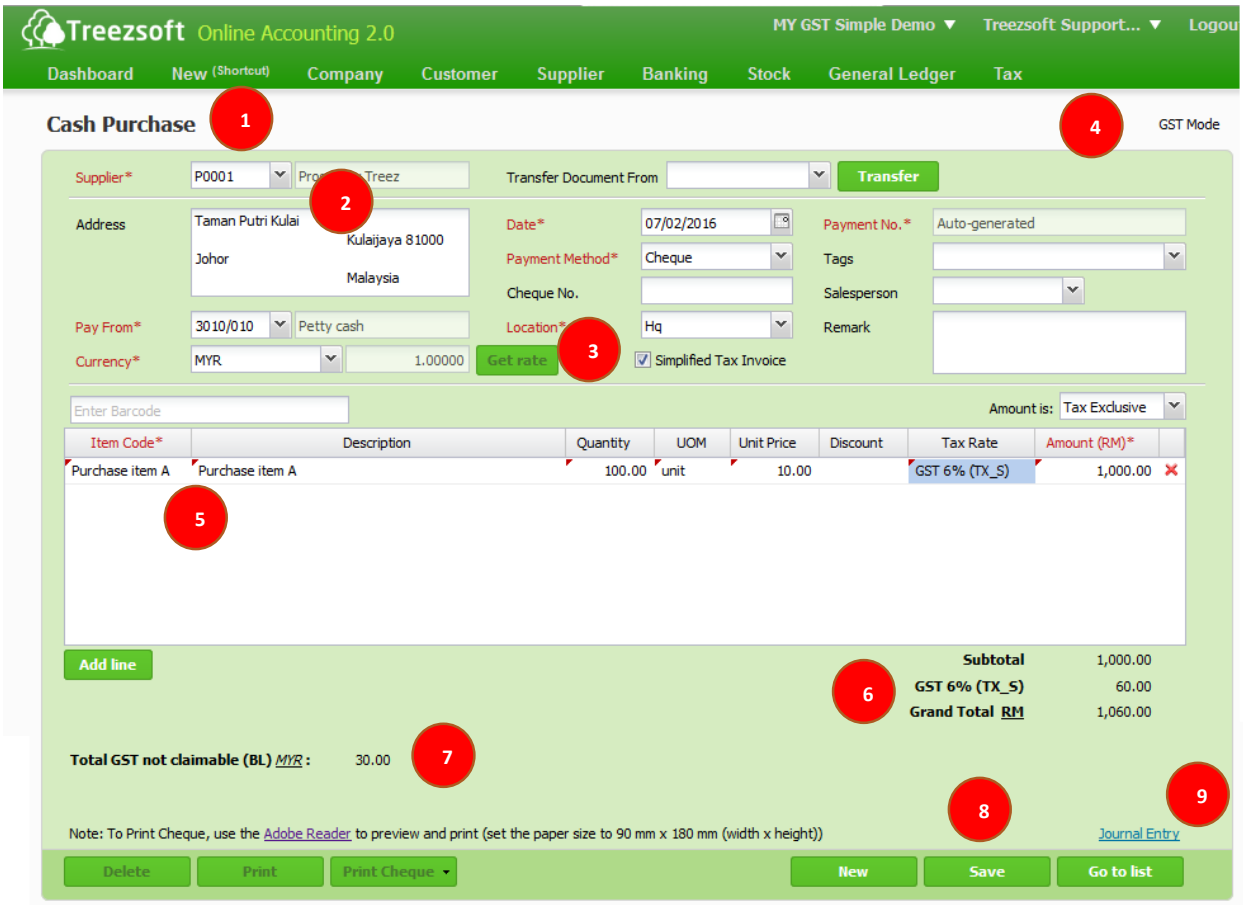
Note: When actual tax invoice issued, you could come back to this payment and apply to the tax invoice. Double entry for GST Output would be handled automatically to prevent double declaration.

Step 9: Record Purchase



1. Go to **Supplier Invoice** (under **Supplier** module), and click **New Supplier Invoice**.
2. Select **Supplier** and fill in the mandatory info.
3. Observe whether it is in **GST Mode**.
4. Fill in purchased items.
5. **Save**.

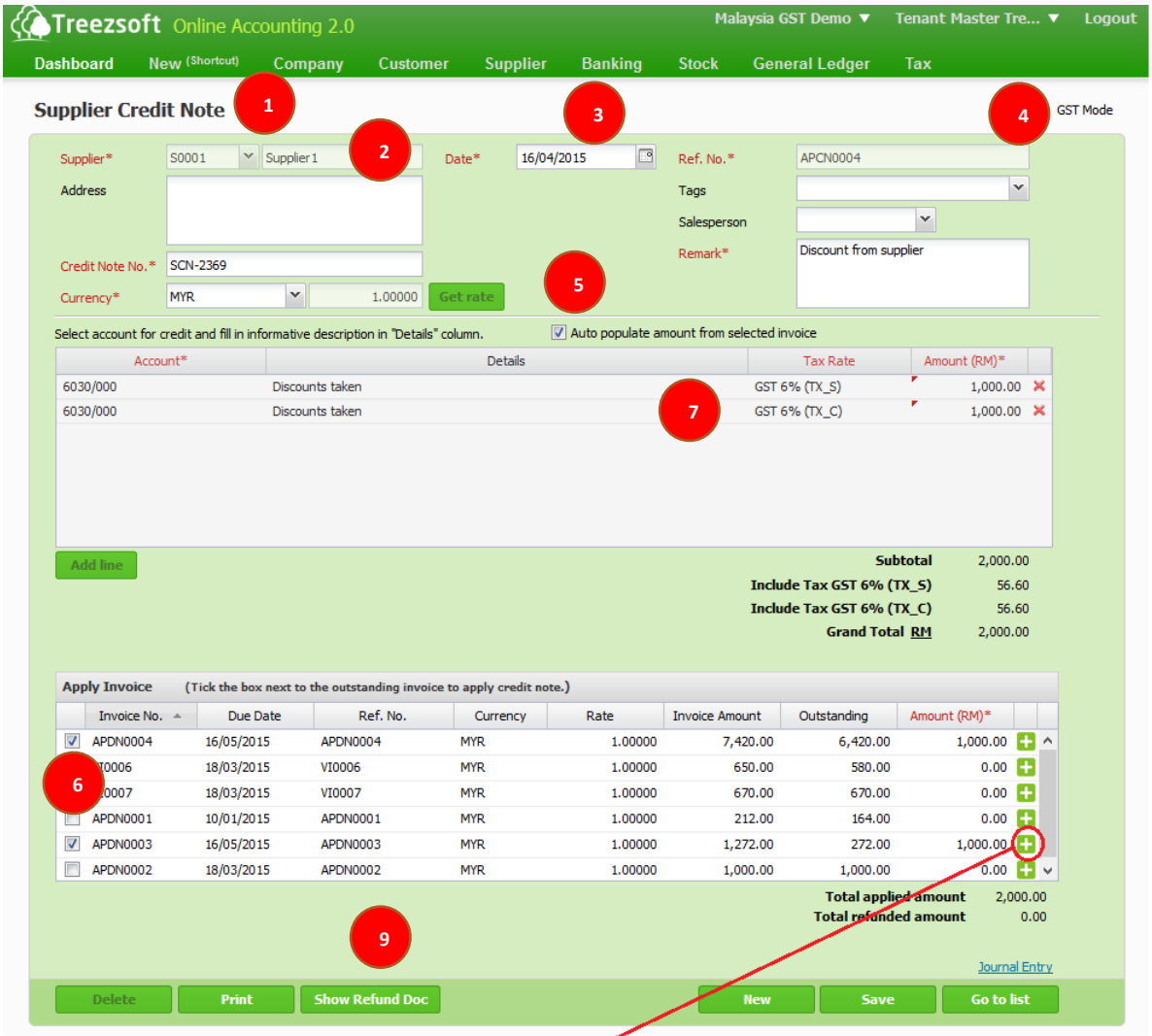
Step 10: Blocked Input Tax for Simplified Tax Invoice



1. Go to **Cash Purchase** (under **Supplier** module), and click on **New Cash Purchase**.
2. Fill in mandatory info.
3. Tick on **Simplified Tax Invoice**.
4. Observe whether it is in **GST Mode**.
5. Fill in purchased items.
6. Observe total input tax.
7. Observe total input tax not claimable.
8. **Save**.

*Note: System will auto split your input tax into claimable and non-claimable account with relative tax code and amount. To verify the ledger, just click on **Journal Entry** hyperlink at the bottom right.*

Step 11: Record Purchase Credit Note



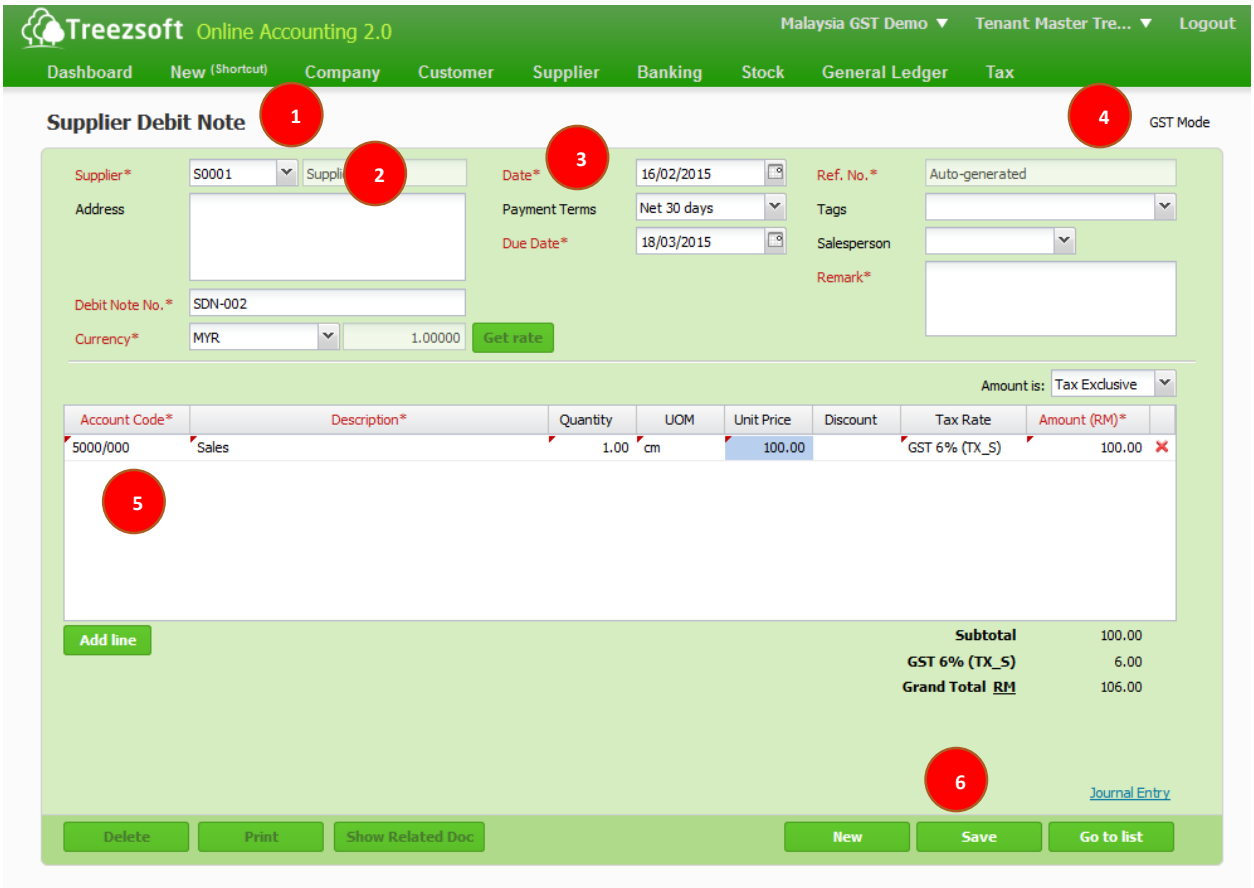
1. Go to **Refund & Credit > Supplier Credit Note** (under **Supplier** module), and click **New Supplier Credit Note**.
2. Select **Supplier** to debit.
3. Select **Date** of credit note.
4. Observe whether it is in **GST Mode**.
5. Tick **Auto populate amount form selected invoice**. (System will auto determine amount, GST amount and corresponding GST code to be credited based on selected invoices)
6. Select invoices to be credited.
7. Observer auto populated amount and GST code to be credited. (System will credit as **Discount Taken** by default)
8. If you would like to check what item is credited, click on "**+**" button. In the pop up screen, you could further select which item to be credited.
9. **Save**.

Note:

*If you try to issue credit note with credit note date is out of your supplier GST commence and cease date, the indicator **GST Mode** would disappear and you are not allowed to charge GST.*

*If you would like manually assign the account code to be credited, un-tick **Auto populate amount form selected invoice** and the account code table would be available for editing.*

Step 12: Record Purchase Debit Note

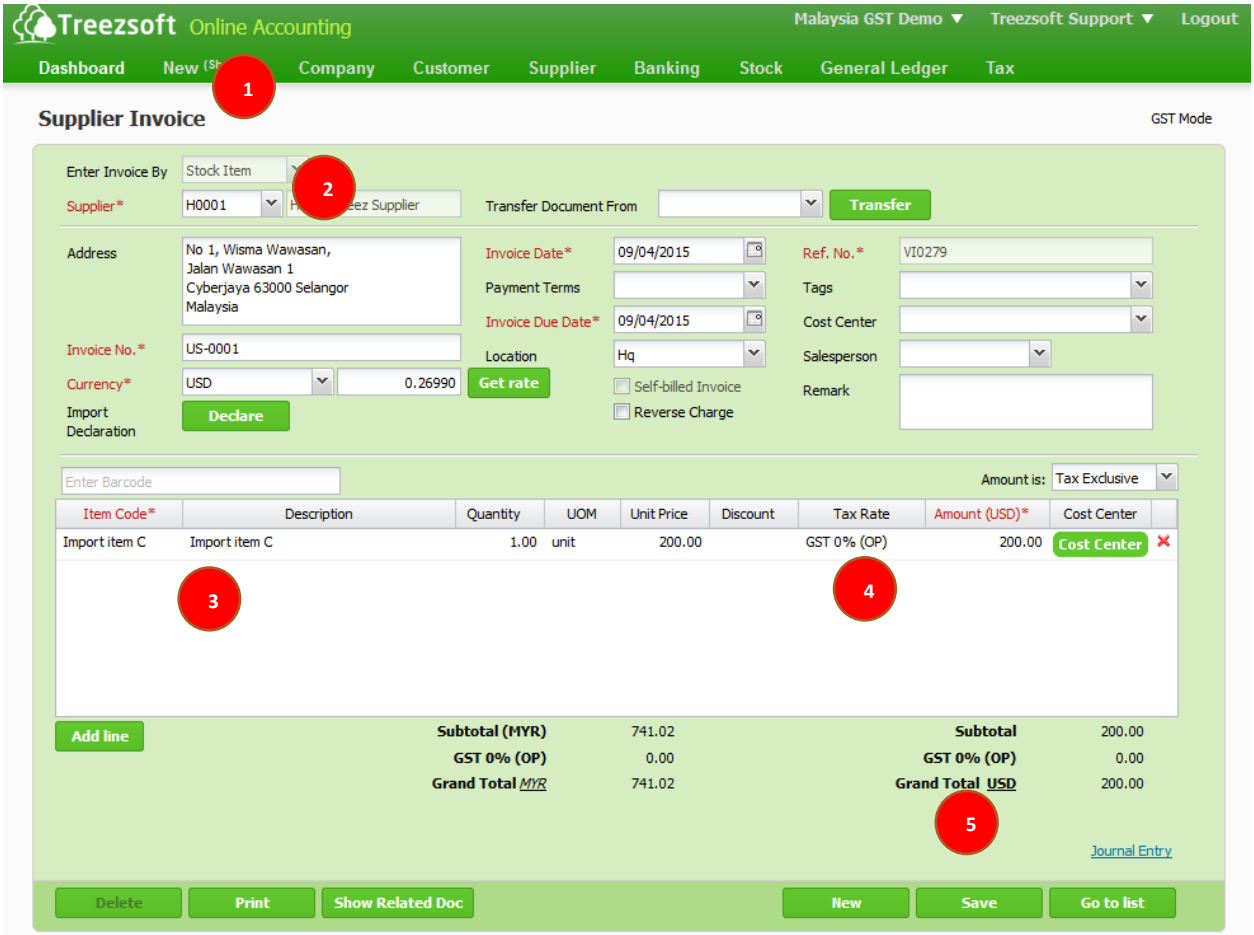


1. Go to **Refund & Credit > Supplier Debit Note** (under **Supplier** module), and click **New Supplier Debit Note**.
2. Select **Supplier** to credit.
3. Select **Date** of credit note.
4. Observe whether it is in **GST Mode**.
5. Select account to be debited.
6. **Save**.

*Note: If you try to issue debit note with debit note date is out of your supplier GST commence and cease date, the indicator **GST Mode** would disappear and you are not allowed to charge GST.*

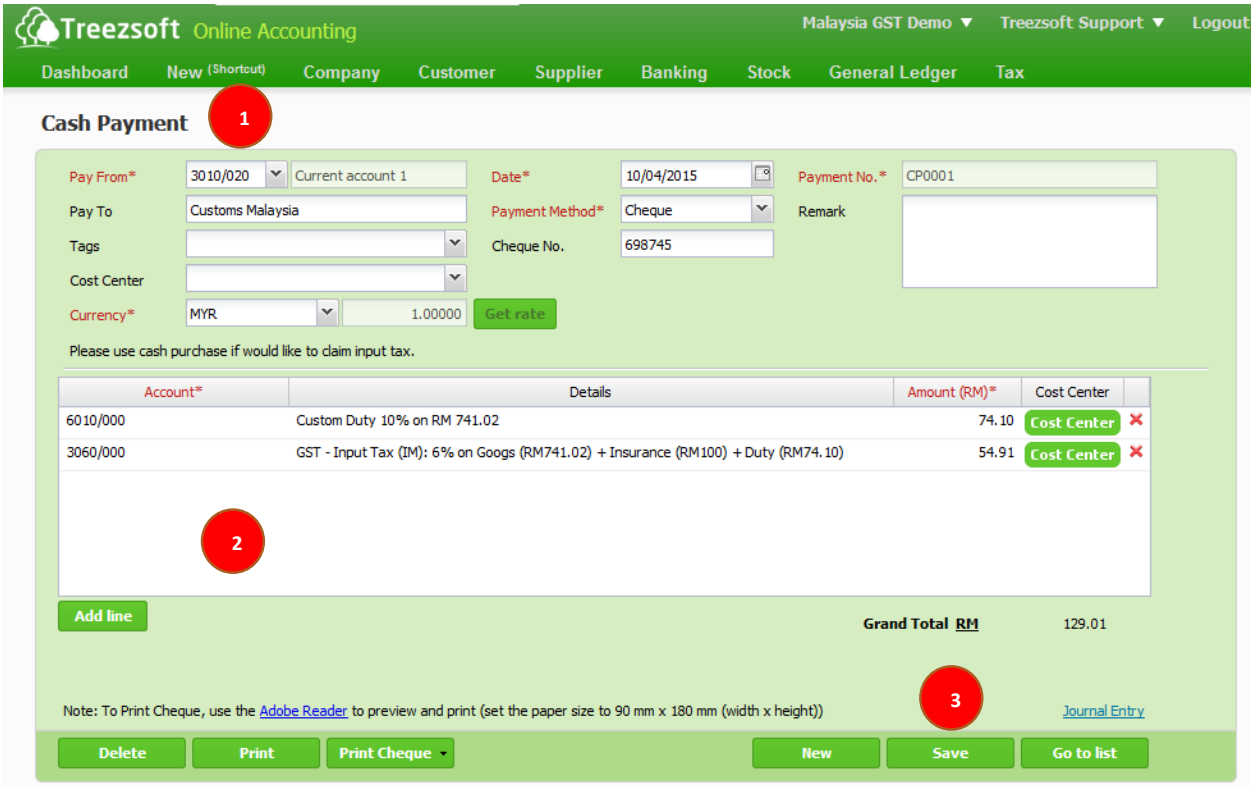
Step 13: Import Goods

Definition: A supplier who does not belong in Malaysia and supplies goods to a customer in Malaysia does not have to charge GST. However, the customer who receives the goods for the purpose of any business carried on by him is required to account for GST. The GST payment shall be done together with duty fee, insurance fee, which payable to customs in order to get K1 declaration form.



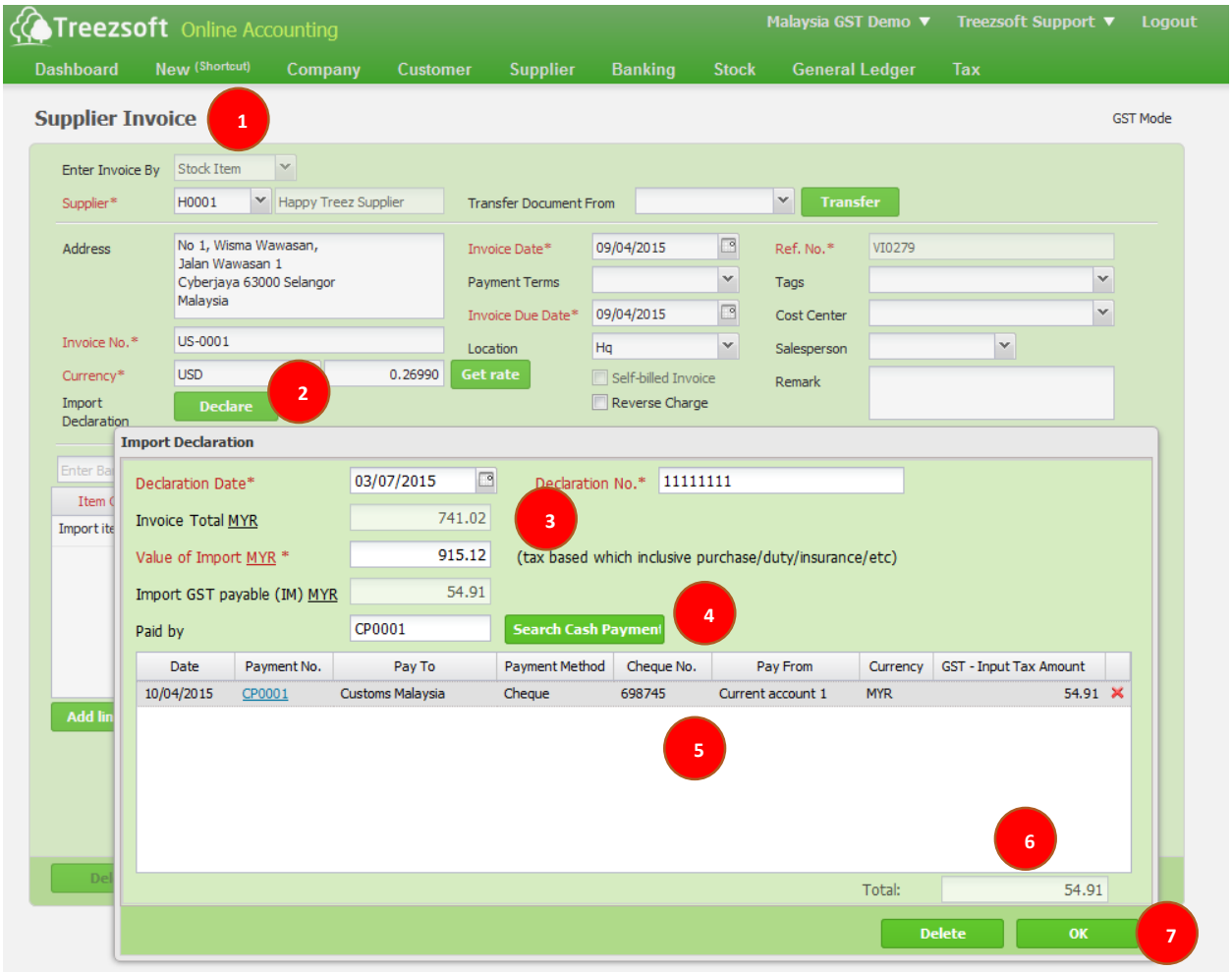
1. Go to **Supplier Invoice** (under **Supplier** module), and click **New Supplier Invoice**.
2. Select **Supplier** and fill in the rest of information.
3. Fill in imported service.
4. Ensure tax rate "OP" is selected.
5. **Save**. (continue next page)

Note: Tax rate "IM" is not allowed to enter before received Declaration K1, thus, only could put "OS" as tax rate.



During/after make payment (Duty fee and GST on total value of import) to custom, create a cash payment.

1. Go to **Cash Payment** (under **Banking** module), and click **New Cash Payment**.
2. Select **appropriate account code:**
    a. E.g. Purchase account to record duty fee, insurance, etc.
    b. And then **must** select **GST input tax account** to record GST paid to custom.
3. **Save**. (continue next page)



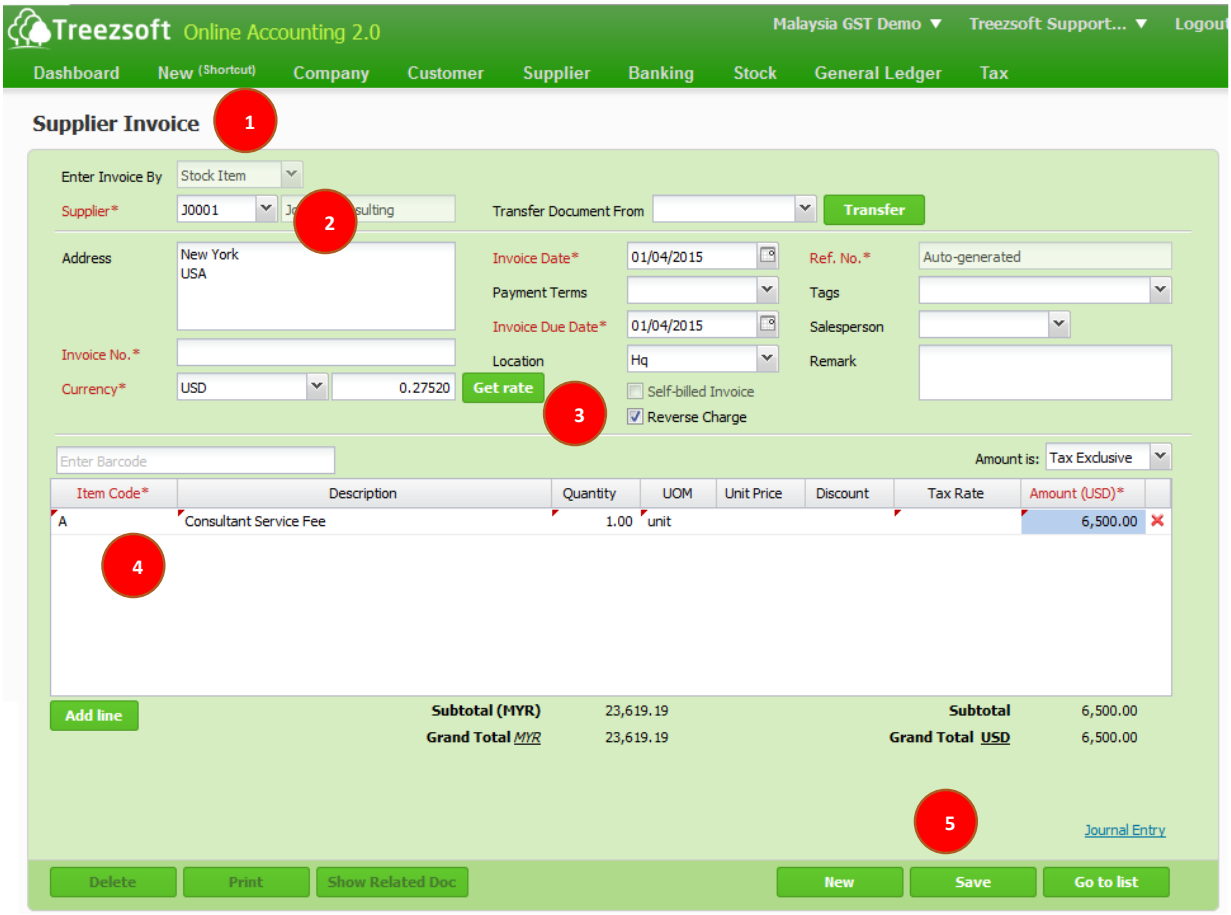
Once payment made and received K1, insert K1 information into original Supplier Invoice and link the cash payment just now to this supplier invoice.

1. Search back the original supplier invoice.
2. Click **Declare**.
3. Fill in all necessary information.
4. Search the related cash payment by enter **Payment No.** and click **Search Cash Payment**.
5. If cash payment exist, it will appear in the table.
6. Ensure the "Import GST payable (IM) MYR" is same with Total, otherwise mean some transactions is entered wrongly.
7. **OK** to close this screen and then **Save** the supplier invoice.

Note: It is important for you to insert K1 information and link the cash payment back to original supplier invoice, so that you could claim back the GST paid to custom in your next tax return, and the GAF audit file able to trace back these transactions.

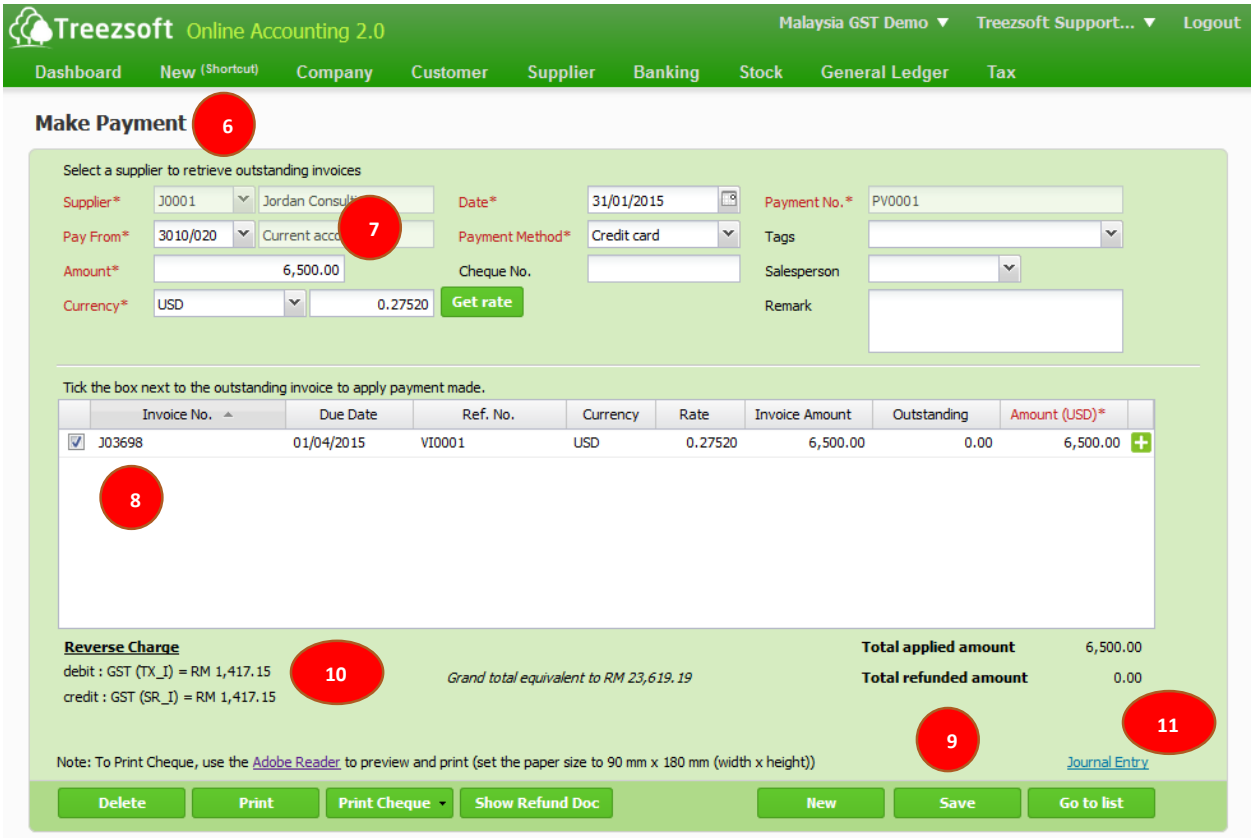
Step 14: Reverse Charge (Import Service)

Definition: A supplier who does not belong in Malaysia and supplies services to a customer in Malaysia does not have to charge GST. However, the customer who receives the services for the purpose of any business carried on by him is required to account for GST by a reverse charge mechanism.



1. Go to **Supplier Invoice** (under **Supplier** module), and click **New Supplier Invoice**.
2. Select **Supplier** and fill in the rest of information.
3. Tick **Reverse Charge**.
4. Fill in imported service.
5. **Save**.

Note: Now, you are ready to trigger reverse charge mechanism during make payment. (Continue below)

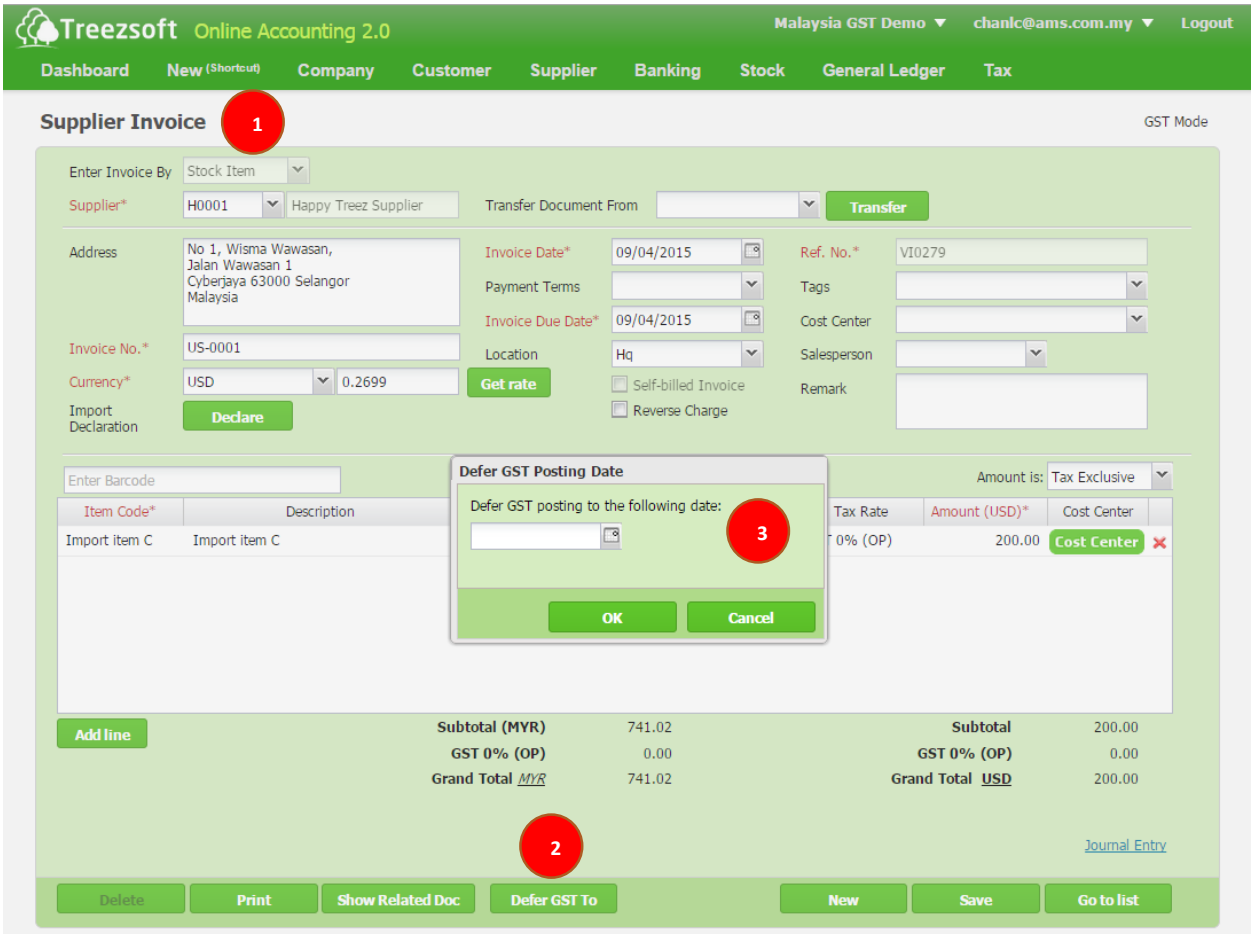


6. Go to **Make Payments** (under **Supplier** module), and click **New Make Payment**.
7. Select **Supplier** and fill in the rest of information.
8. Select the tax invoice of imported service.
9. **Save**.
10. After saved, **Reverse Charge** would appear for review.
11. To view corresponding double entry, click on **Journal Entry** hyperlink.

Note: You may make payment to multiple invoices in one go regardless they are supposed to be reverse charge or not. At the end, system will only perform reverse charge for the correct invoice.

Step 15: Defer GST Date

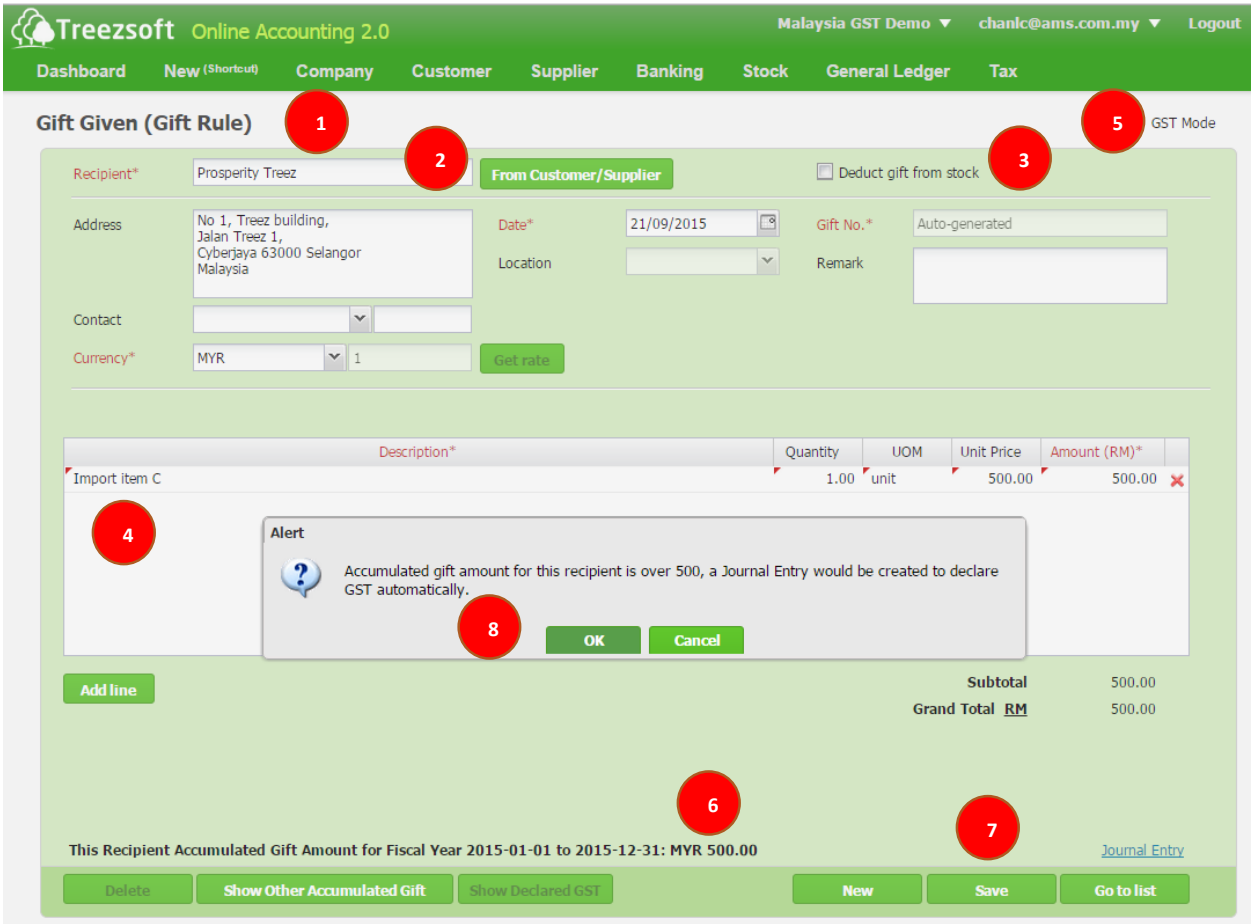
Definition:
Defer date allow back-dated transactions to be entered into the system after their GST-03 for the period of time being submitted. The transaction will be included into the GST-03 with the entered defer GST Date.
This feature is available for ***Cash Sales, Sales Invoice, Sales Return, Credit Note, Debit Note, Cash Purchase, Supplier Invoice, Purchase Return, Supplier Credit Note, Supplier Debit Note and Journal Entry****.*



1. Select a supplier invoice record.
2. Click **Defer GST To**.
3. Fill the Defer GST posting date and click **OK**.
4. Click **Save**.

Step 16: Gift Given (Gift Rule)

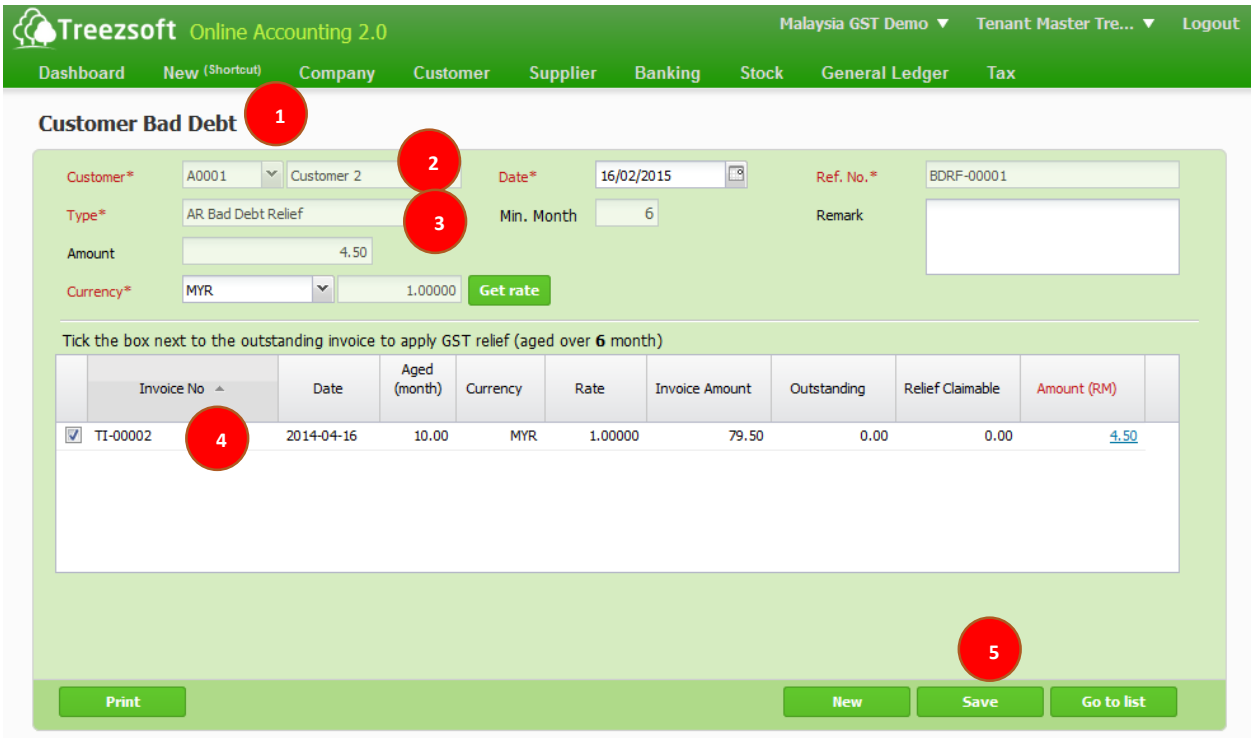
Definition: Total accumulated amount given to a same recipient within a same fiscal year that exceeded the Gift Rule trigger amount (Malaysia is RM 500) need to be declared GST.



1. Go to **Gift Given (Gift Rule)** (under **Tax** module), and click **New**.
2. Enter the **Recipient** or click **From Customer/Supplier** to select recipient from existing Customer/ Supplier list.
3. Tick **Deduct gift from stock** if the gift given is from existing stock.
4. Fill in given item.
5. Observe whether it is in **GST Mode**.
6. Observe **Recipient Accumulated Gift Amount for Fiscal Year.**
7. **Save**.
8. If **Recipient Accumulated Gift Amount for Fiscal Year** exceeded or equal to the Trigger Amount set in **GST Preference** (under **Tax** module), a journal entry will be auto generated in order to submit GST for the Gift Given. Click **OK** to generate Journal Entry for the recipient.

Step 17: Bad Debt Relief for Sales

Definition: A supply has been made and a Tax Invoice has been issued. However, there has been no payment or only partial collection for the debt and it is past a period of 6 months from the date of the invoice. Taxable party could claim back GST paid without write-off the invoice. However, it is also required that if collections are made that the repayment of GST is required.

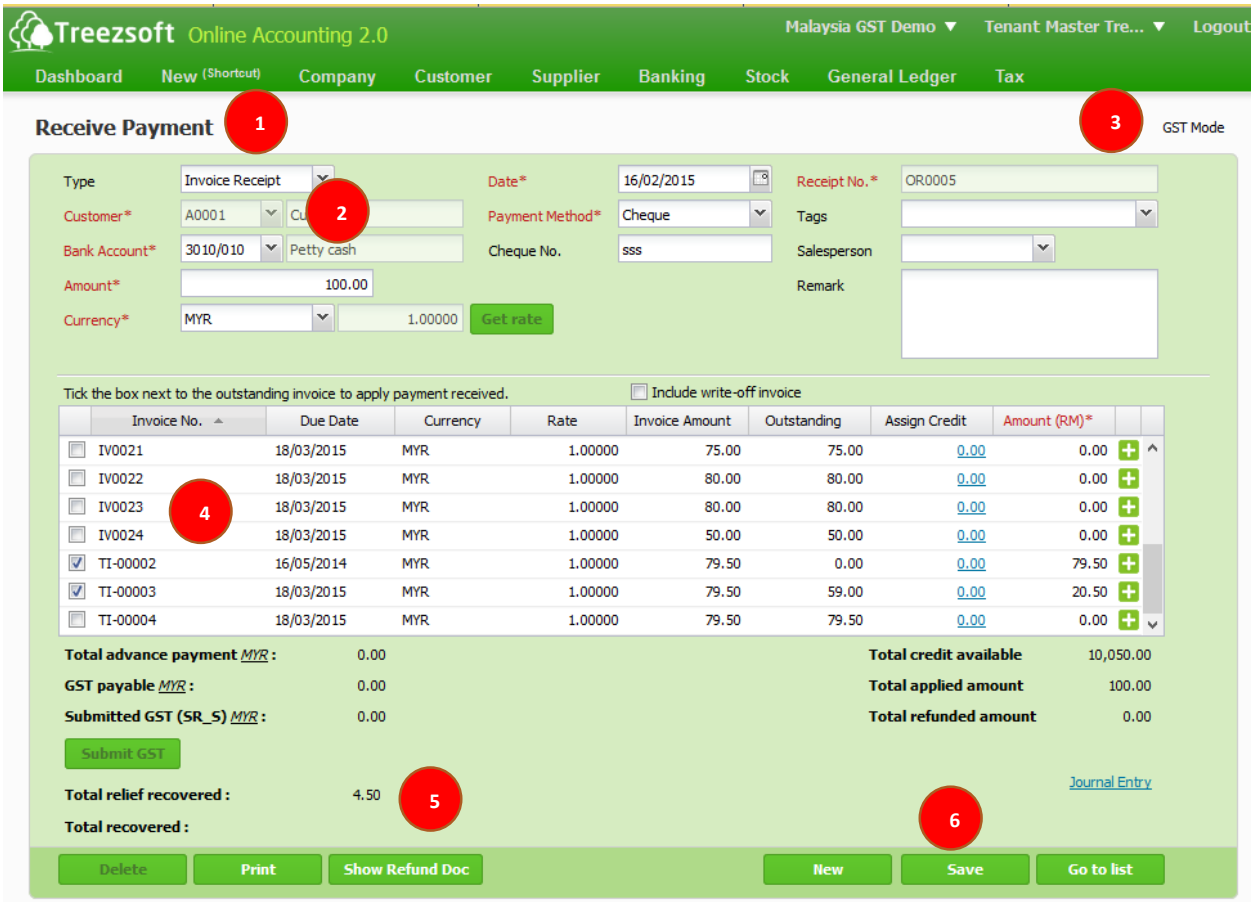


9. Go to **Customer Bad Debt (AR) > Bad Debt (AR)** (under **Tax** module), and click **New**.
10. Select **Customer** and fill in the rest of information.
11. Select **Type** as **AR Bad Debt Relief**.
12. Tick on invoice(s) that to be bad debt relief.
13. **Save**.

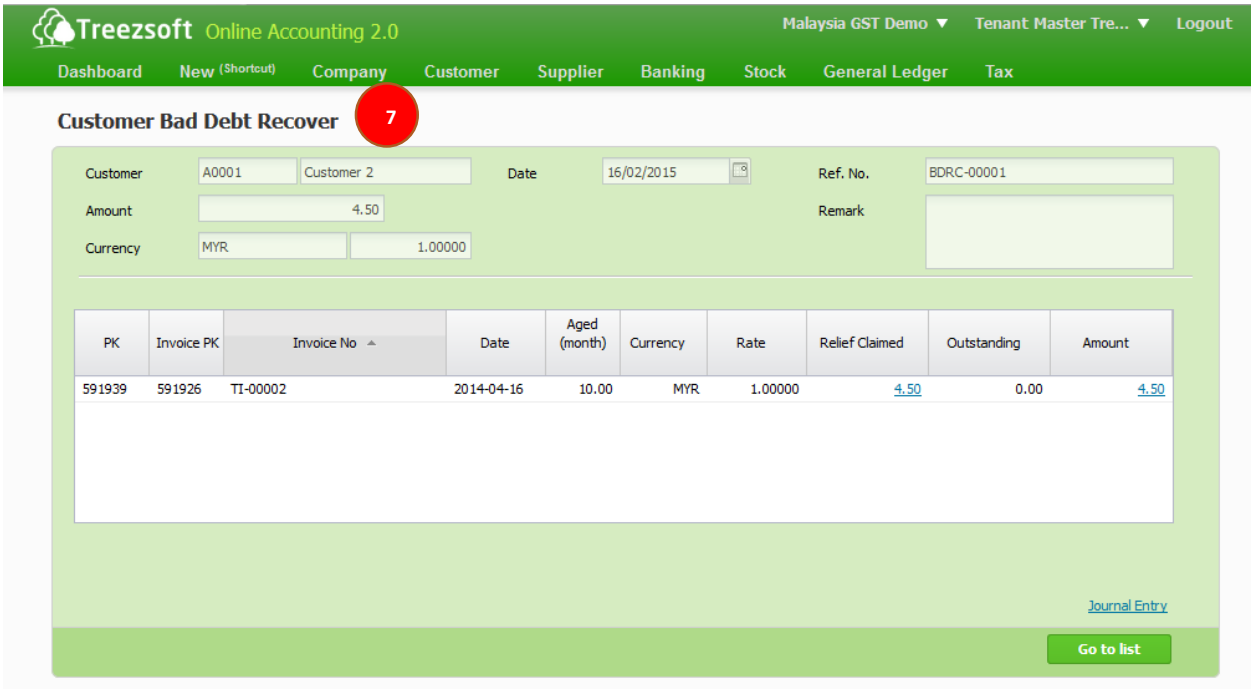
Note: Bad debt write-off or provision will not entitle you for relief to claim back GST paid. In order to claim back GST paid, you must issue bad debt relief, even though the invoice has been written-off or provided.

Step 18: Bad Debt Recover for Sales

Definition: Whenever collections are made against bad debt relief, repayment of GST is required.



1. Go to **Receive Payments** (under **Customer** module), and click **New Receive Payment**.
2. Select **Customer** and fill in the rest of information.
3. Observe whether it is in **GST Mode**.
4. Tick on invoice(s) that to be applied.
5. If any applied invoice has issued bad debt relief previously, system will auto detect and calculate total relief to be recovered.
6. **Save**. Bad debt recover is now auto created.

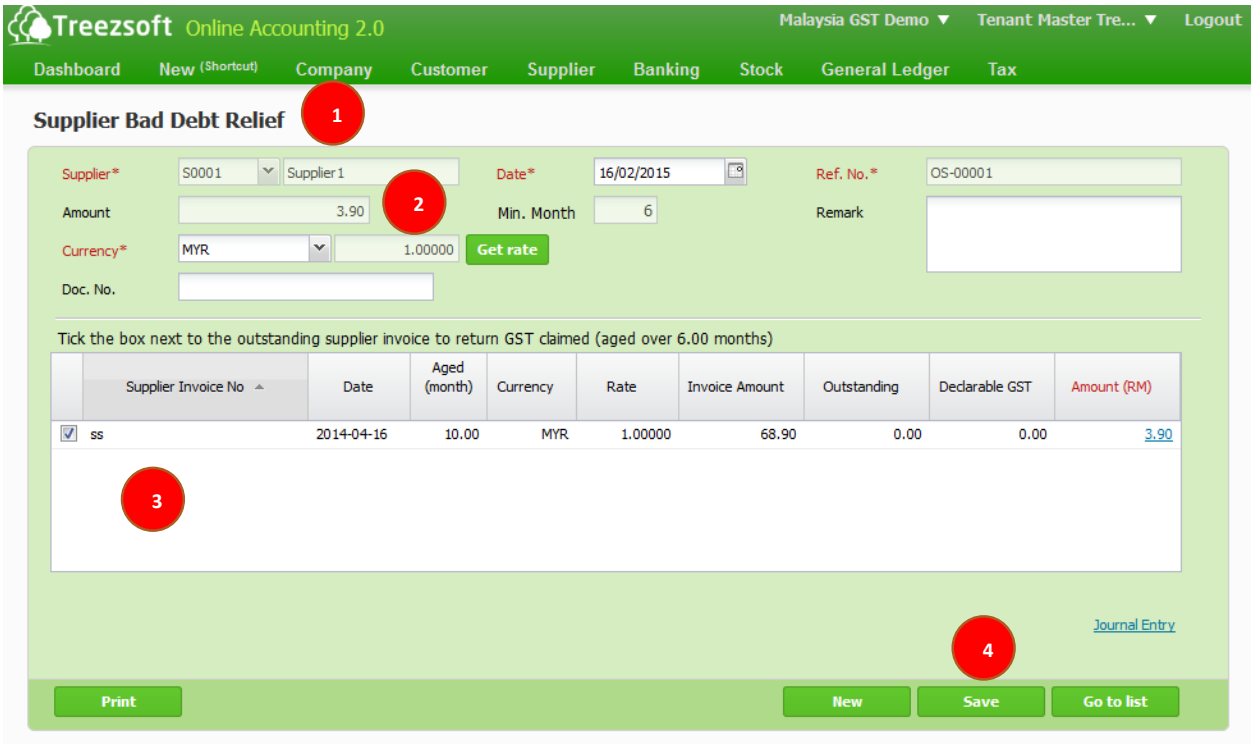


7. To verify bad debt recover been created from above, go to **Customer Bad Debt (AR) > Bad Debt Recover (AR)** (under **Tax** module), and click **Ref No**.

Note: Bad debt recover transaction and double entry would auto created by system after saved.

Step 19: Bad Debt Relief for Purchase

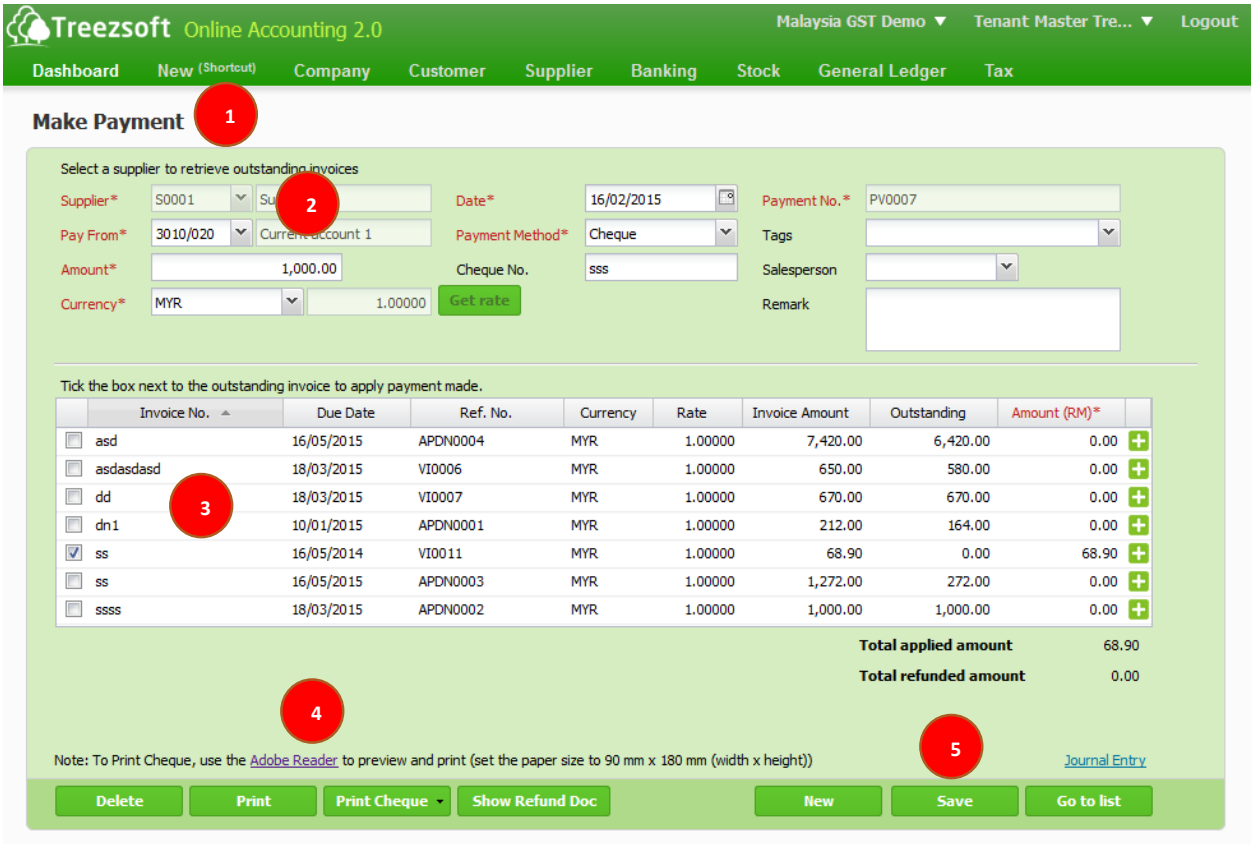
Definition: A purchase has been made and a Tax Invoice has been received. However, there has been no payment or only partial paid for the purchase and it is past a period of 6 months from the date of the invoice. Taxable party shall pay back GST claimed for that purchase. However, if payments are made after this then taxable party could claim back again the GST.



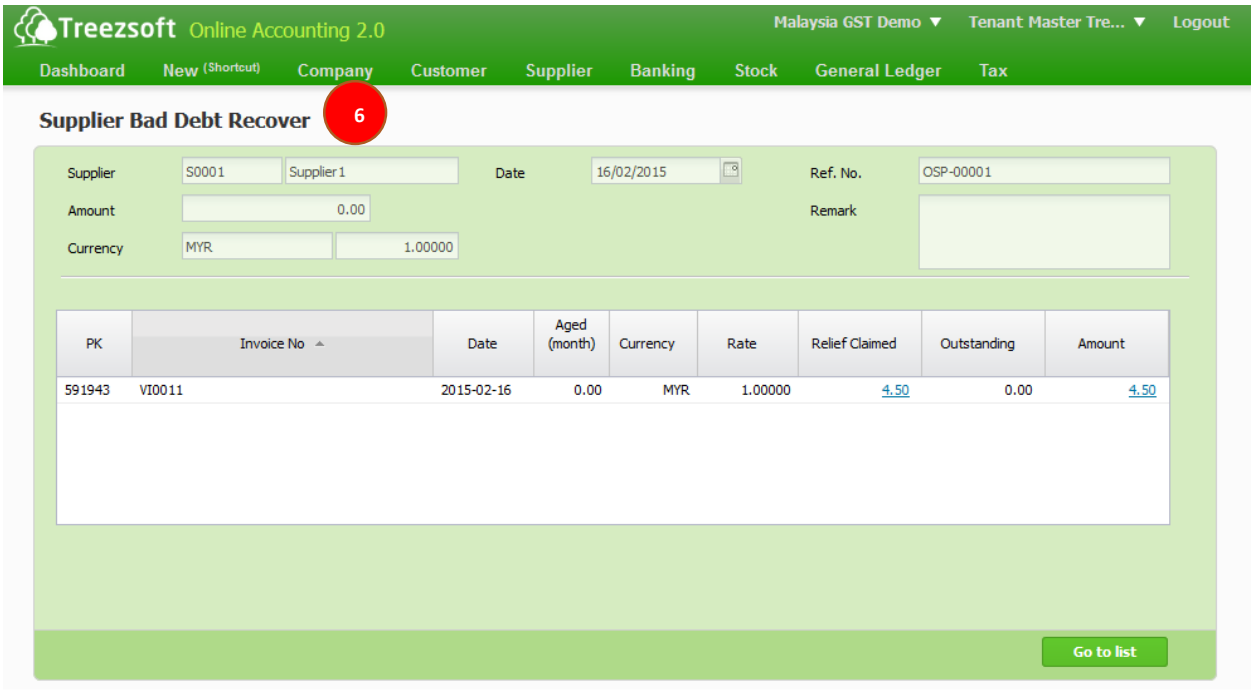
1. Go to **Supplier Bad Debt (AP) > Bad Debt Relief (AP)** (under **Tax** module), and click **New**.
2. Select **Supplier** and fill in the rest of information.
3. Tick on supplier invoice(s) that to be bad debt relief.
4. **Save**.

Step 20: Bad Debt Recover for Purchase

Definition: Whenever payments are made against purchase bad debt relief, GST claim back is required.



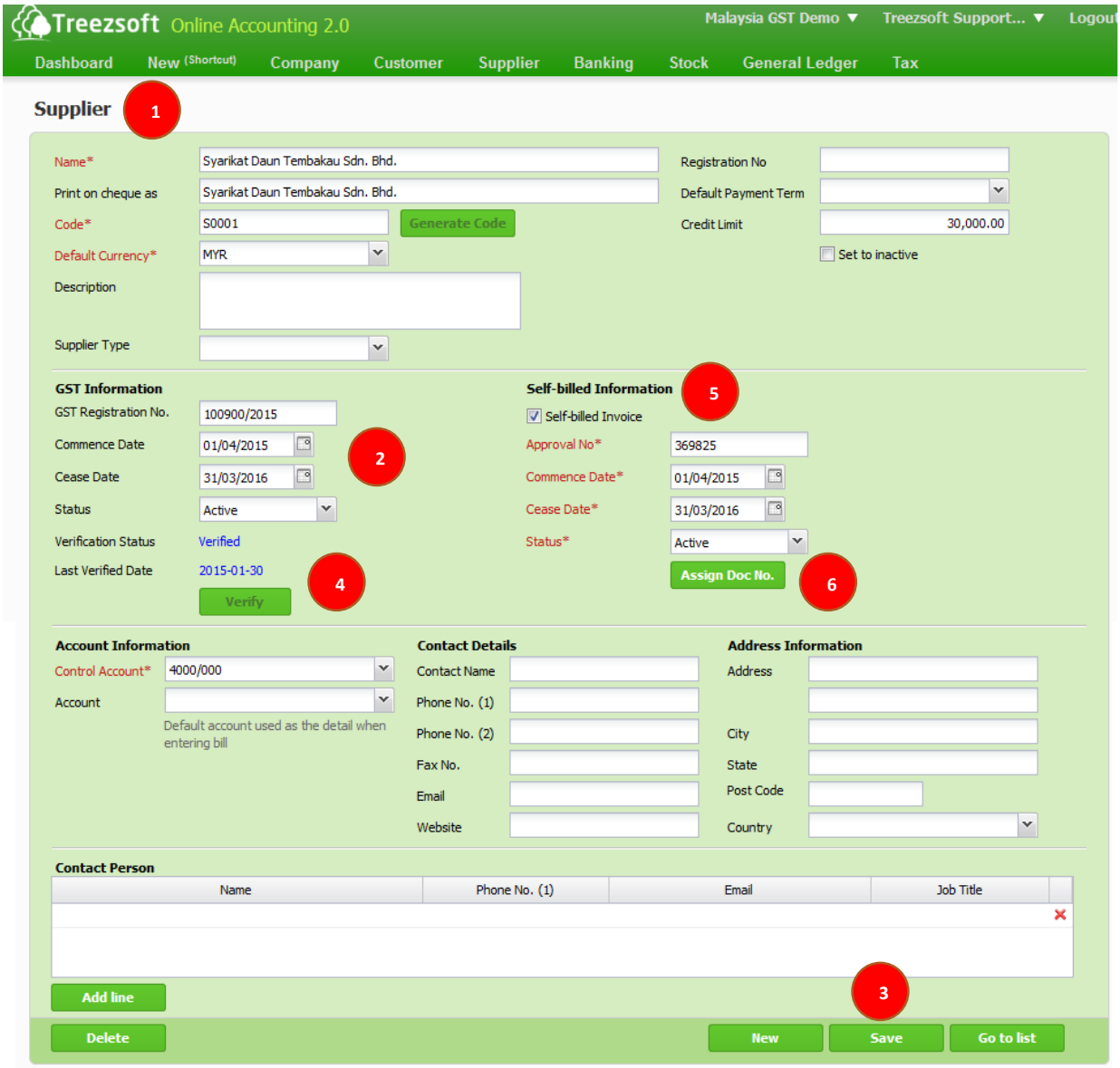
1. Go to **Make Payments** (under **Supplier** module), and click **New Make Payment**.
2. Select **Supplier** and fill in the rest of information.
3. Tick on supplier invoice(s) that to be applied.
4. If any applied supplier invoice has issued bad debt relief previously, system will auto detect and calculate total relief to be recovered.
5. **Save**. Supplier bad debt recover is now auto created.



6. To verify supplier bad debt recover been created from above, go to **Supplier Bad Debt (AP) > Bad Debt Recover (AP)** (under **Tax** module), and click **Ref No**.

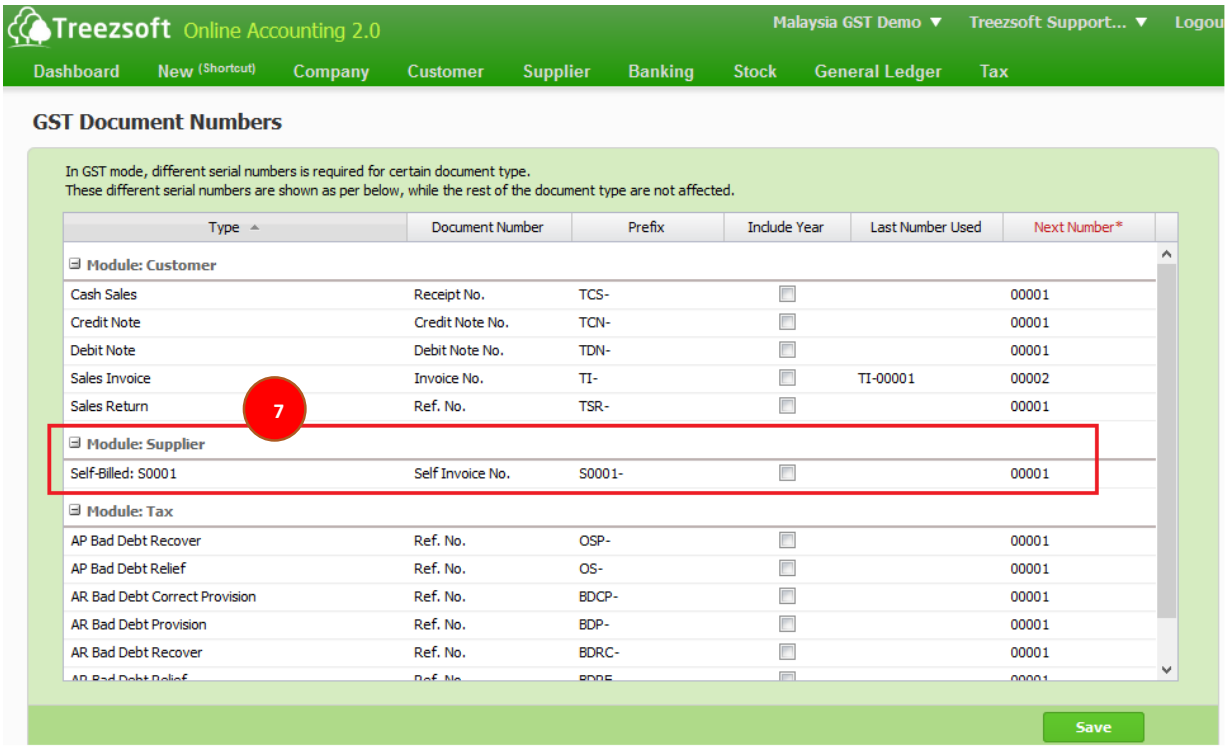
Note: Supplier bad debt recover transaction and double entry would auto created by system after saved.

Step 21: Activate Self-billed Tax Invoice



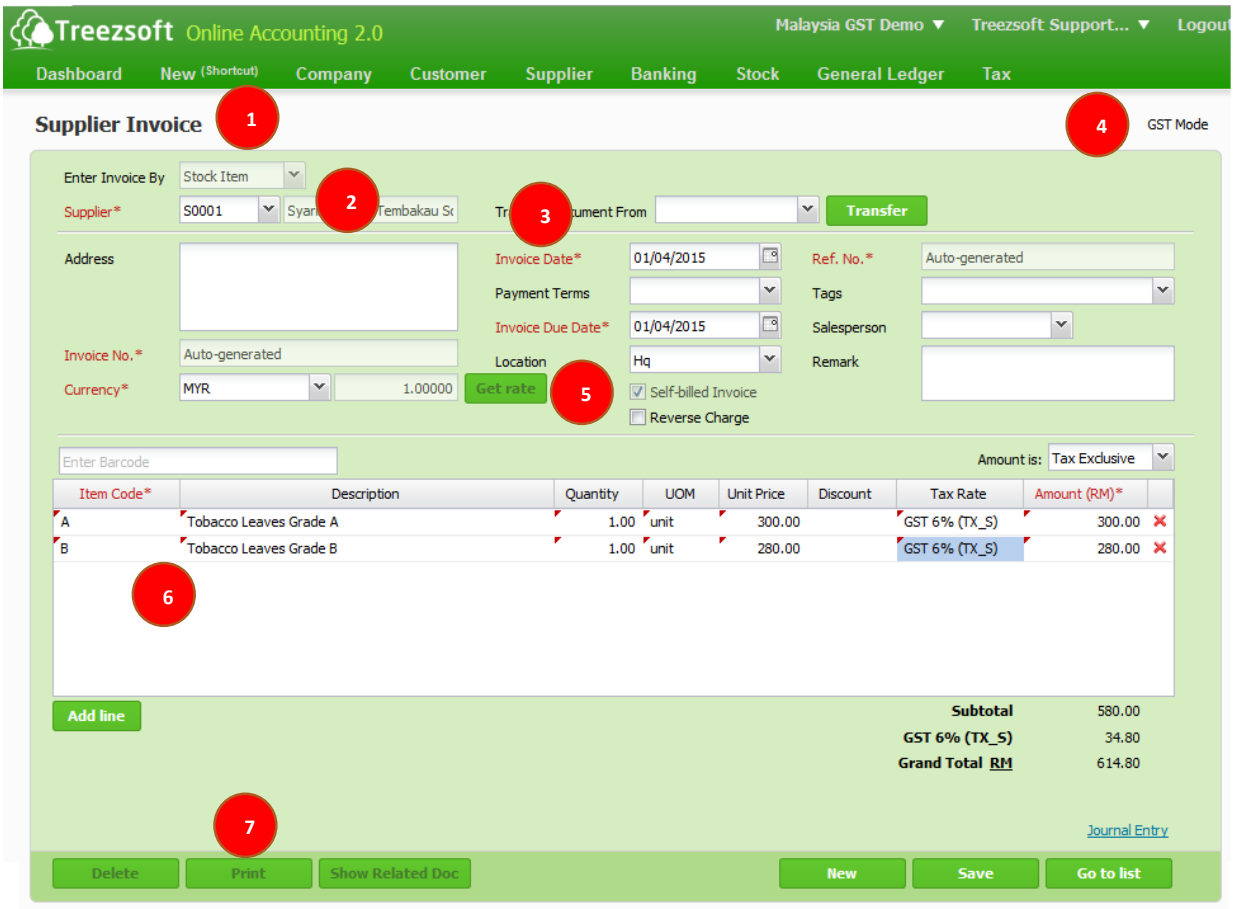
1. Go to **Manage > Suppliers** (under **Supplier** module), and select desired supplier.
2. Fill in supplier **GST Information**. **Status** shall be **Active**.
3. Save the form.
4. Access to ensure the inserted GST information is correct, then click **Verify** button to confirm.
5. Tick **Self-billed Invoice** and fill in all required fields.

6. Click **Assign Doc No.** to assign unique invoice number for this supplier, and you would be redirected to below screen if success:



7. You may change the self-billed invoice number if necessary.

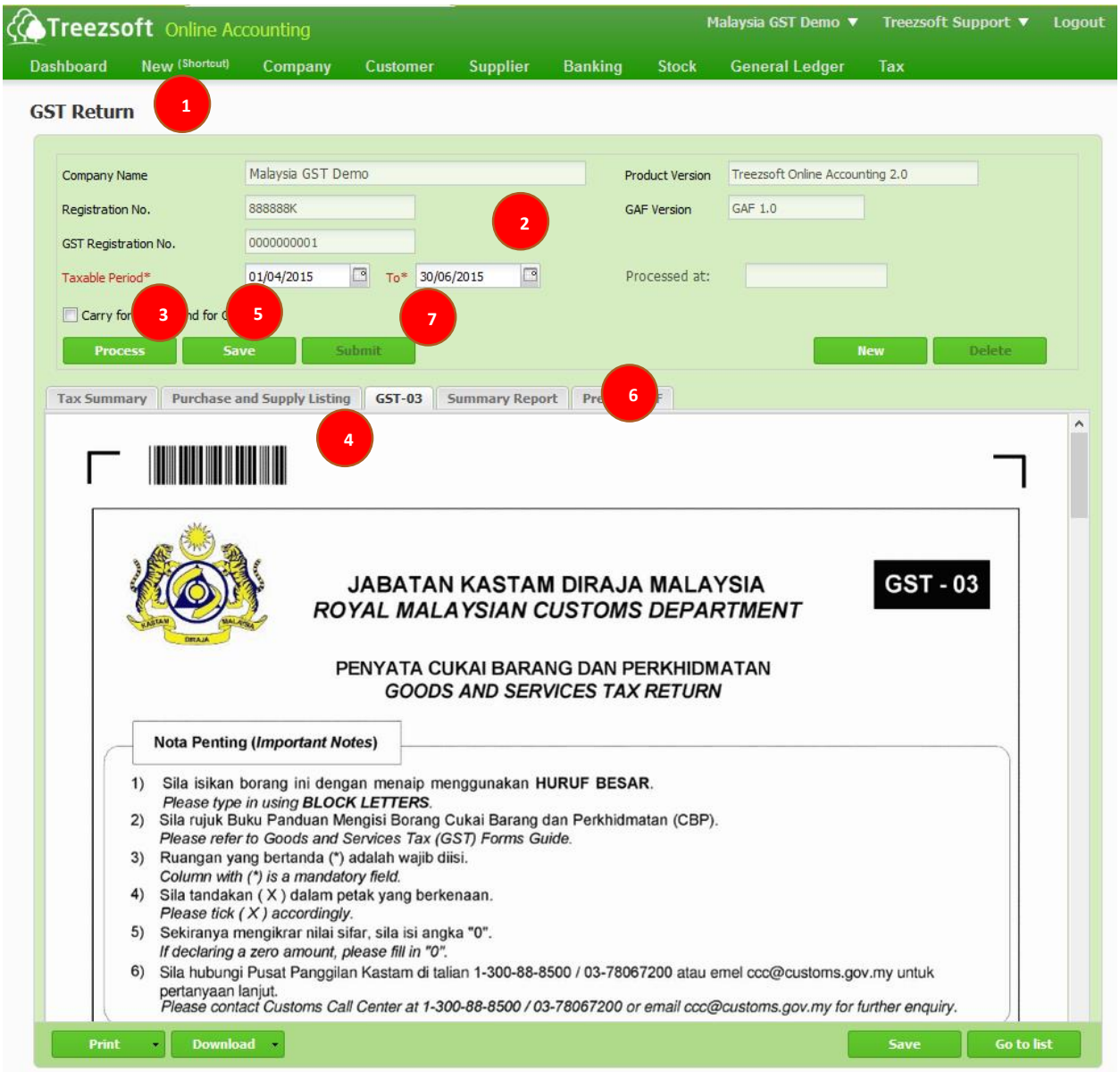
Step 22: Issue Self-billed Tax Invoice



1. Go to **Supplier Invoice** (under **Supplier** module), and click **New Supplier Invoice**.
2. Select **Supplier**.
3. Select **Invoice Date**.
4. Observe whether it is in **GST Mode**.
5. Observer whether **Self-billed Invoice** is auto ticked. (if not, please activate self-billed invoice using previous step)
6. Select desired items.
7. **Save** first and then **Print** your self-billed invoice.

*Note: If you try to issue self-billed invoice with invoice date is out of supplier GST commence and cease date, the indicator **GST Mode** would disappear and you are not allowed to charge GST.*

Step 23: Generate/Submit GST Return

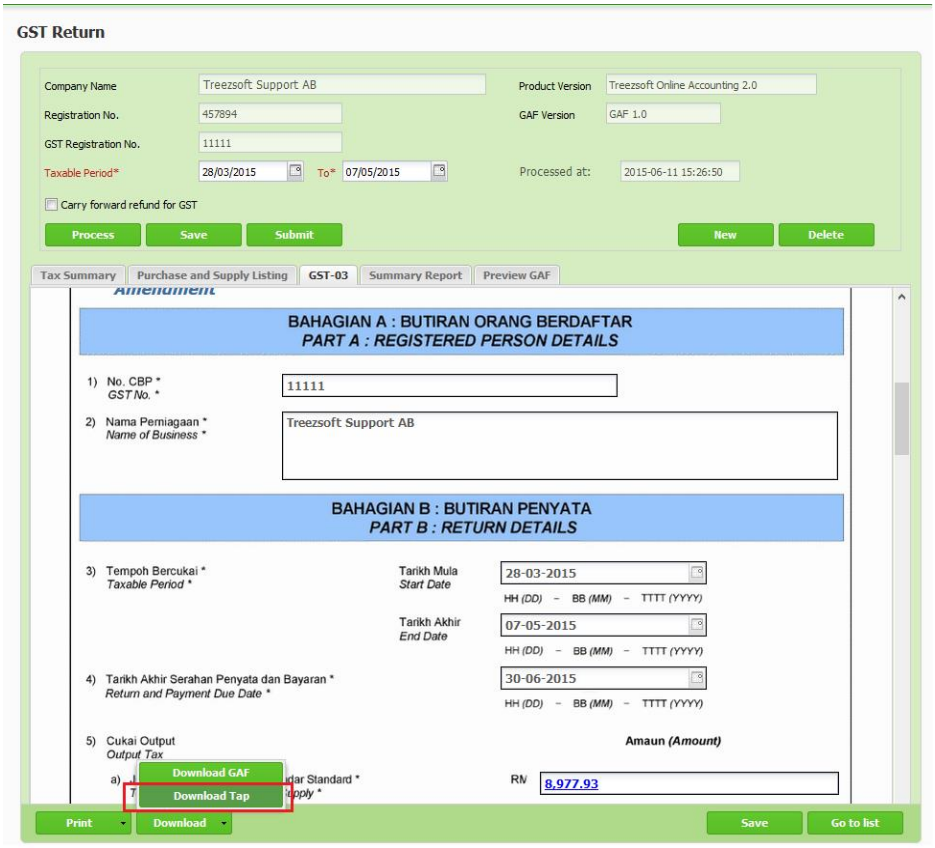


1. Go to **Tax Return** (under **Tax** module), and click **New Declaration**.
2. Verify company info, **Taxable Period**, and determine whether to **Carry forward refund for GST**.
3. Click **Process**. *(system will prompt if found any outstanding documents that need to take action)*
4. Verify your transactions in the following tab:
    a. Purchase and Supply Listing
    b. Tax Summary, and Summary Report
    c. GST-03

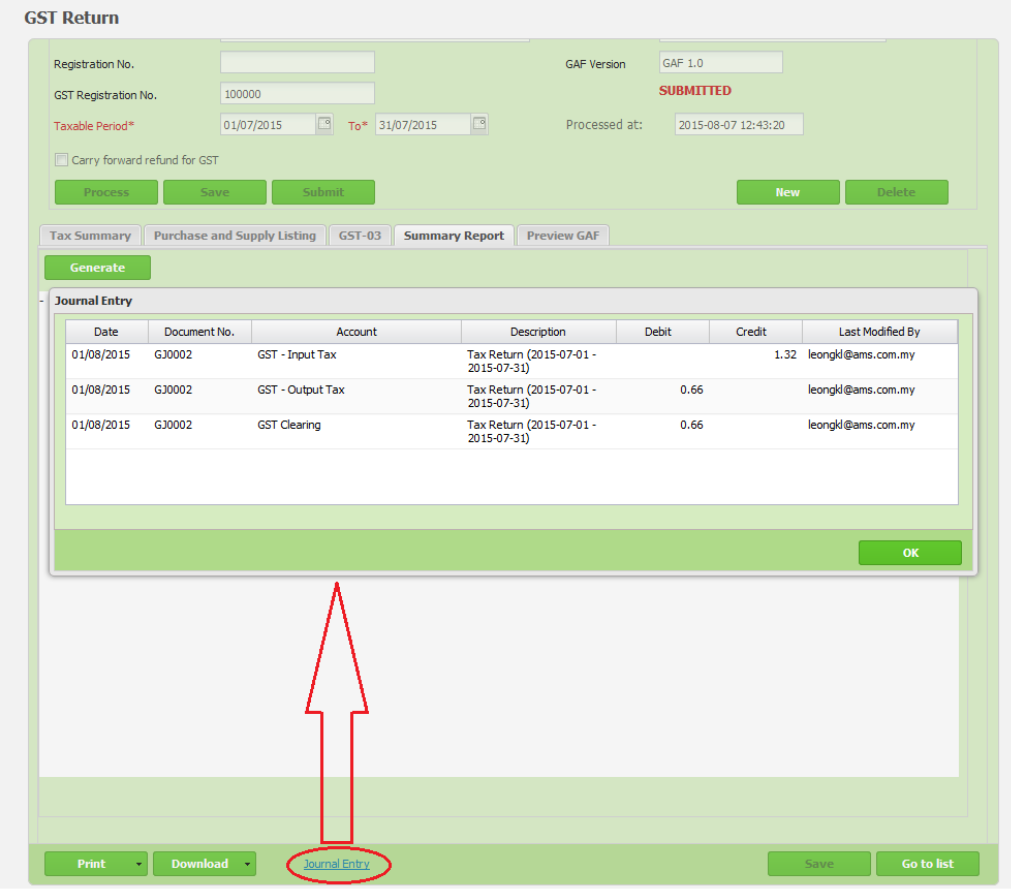
5. After verification, click **Save** to temporary save the processed transactions.
6. After saved, you may generate following report by click **Print**:
    a. Print Tax Summary
    b. Print Purchase and Supply Listing
    c. Print GST-03
    d. Print Summary Report
7. You may leave your saved GST Return there and come back again to perform a re-process whenever necessary, as long as you haven't click **Submit**.

Submit GST Return:

1. When no more changes and ready to submit GST-03 to government, please login customs website (https://gst.customs.gov.my/TAP/_/) to file your GST-03, based on the value provided in Treezsoft.
2. There are 3 way to fill up the GST-03 form in TAP:
    a. Manual enter the GST amount in TAP as per guide on step 2,
    b. Manual fill up via GST-03 paper form as per guide on step 2, or
    c. Download the **Tap** from Treezsoft and upload it into TAP. *(refer below for downloading the Tap from Treezsoft)*



3. After you have done GST filling in TAP, please come back to Treezsoft and click **Submit** for the corresponding GST Return. The purpose of this action is to lock all your transactions within the taxable period and a journal entry would be auto generated in order to charge input/output tax into GST Clearing account.



Guide on how to use TAP for GST filing:
https://www.youtube.com/watch?v=YYe01EiFrCg.

Guide on how to use TAP for GST payment:
https://www.youtube.com/watch?v=pUm-i6wIRQg.

Note:

Before click Submit, you may re-process or re-save multiple time as per your needs for cross check or preview purpose.

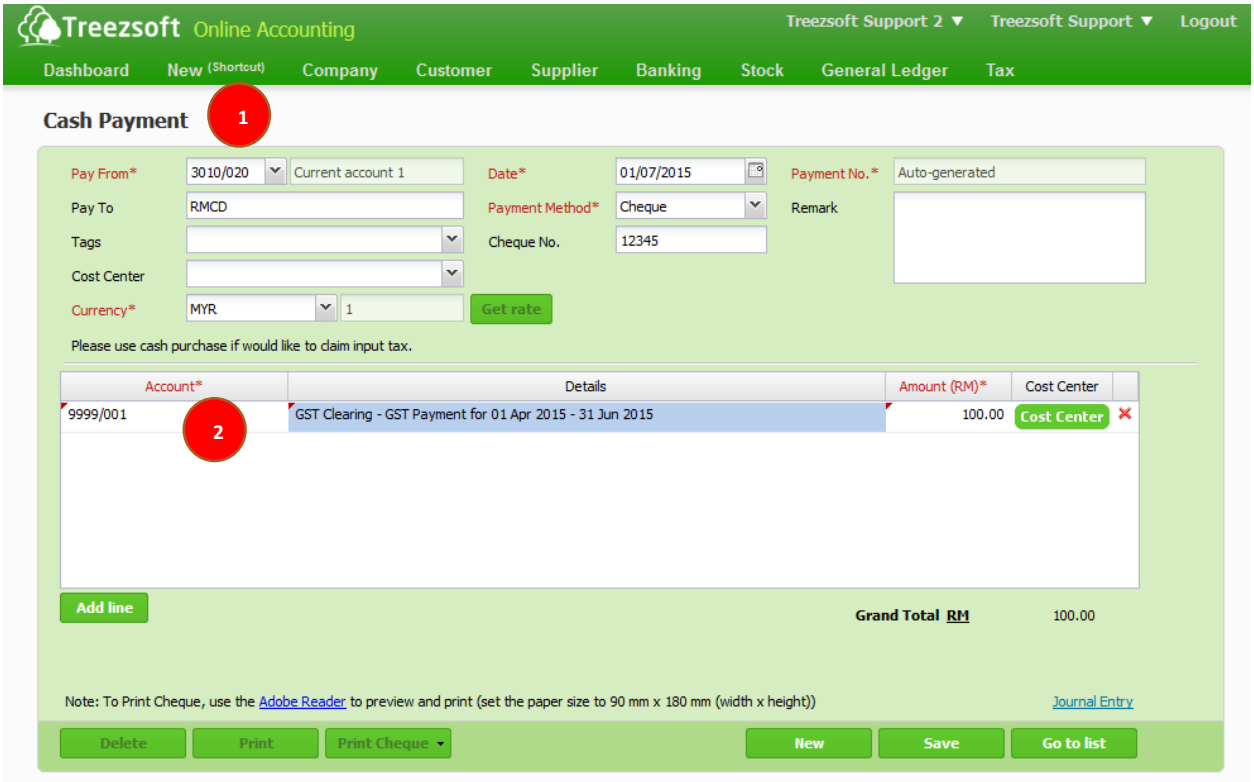
System doesn't submit GST-03 directly into government website. You still required to fill in GST-03 via government website, by referring the info provided here.

Step 24: Record Payment/Refund of GST

Definition: If you have paid GST to customs, or received GST refund from customs after submitted GST-03, remember to record the payment or refund in Treezsoft as well.

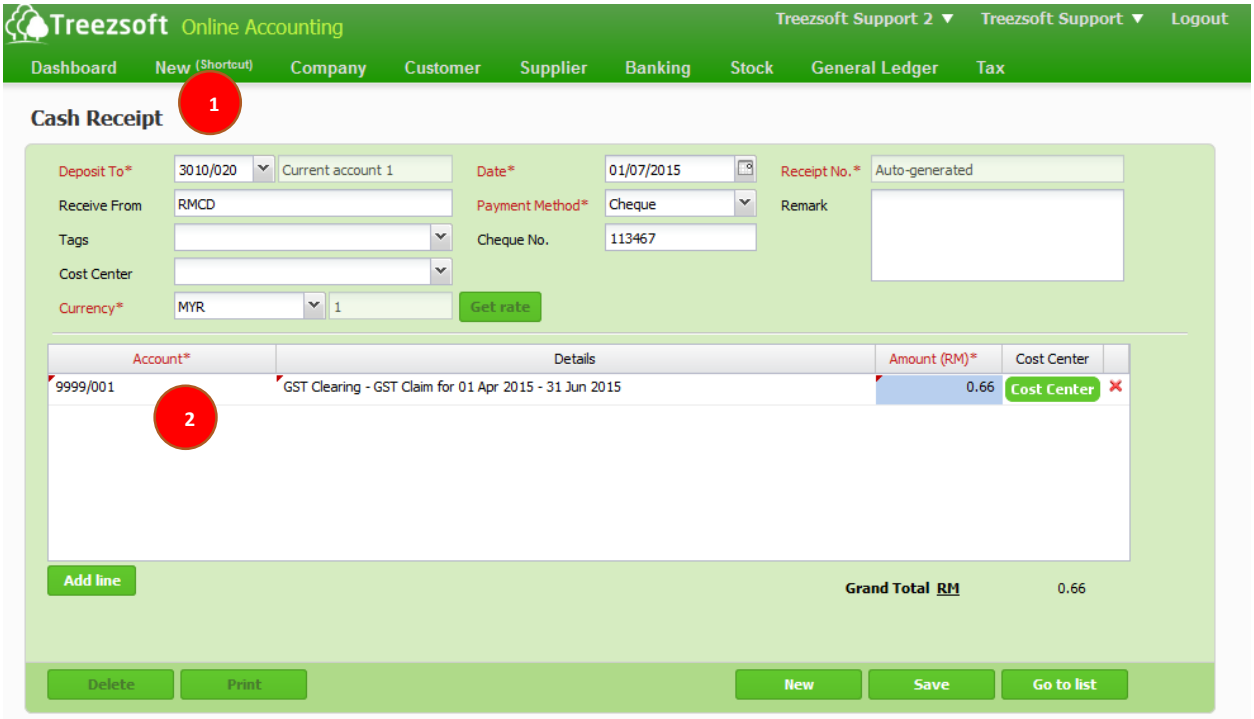
Please ensure you have submitted GST Return in Treezsoft (refer previous step 21) and verified the journal entry is auto generated before perform the following steps.

24.1 Record Payment of GST that paid to Customs



1. Go to **Cash Payment** (under **Banking** module), and create a new cash payment.
2. Charge the payment to **GST Clearing** account and **save**.

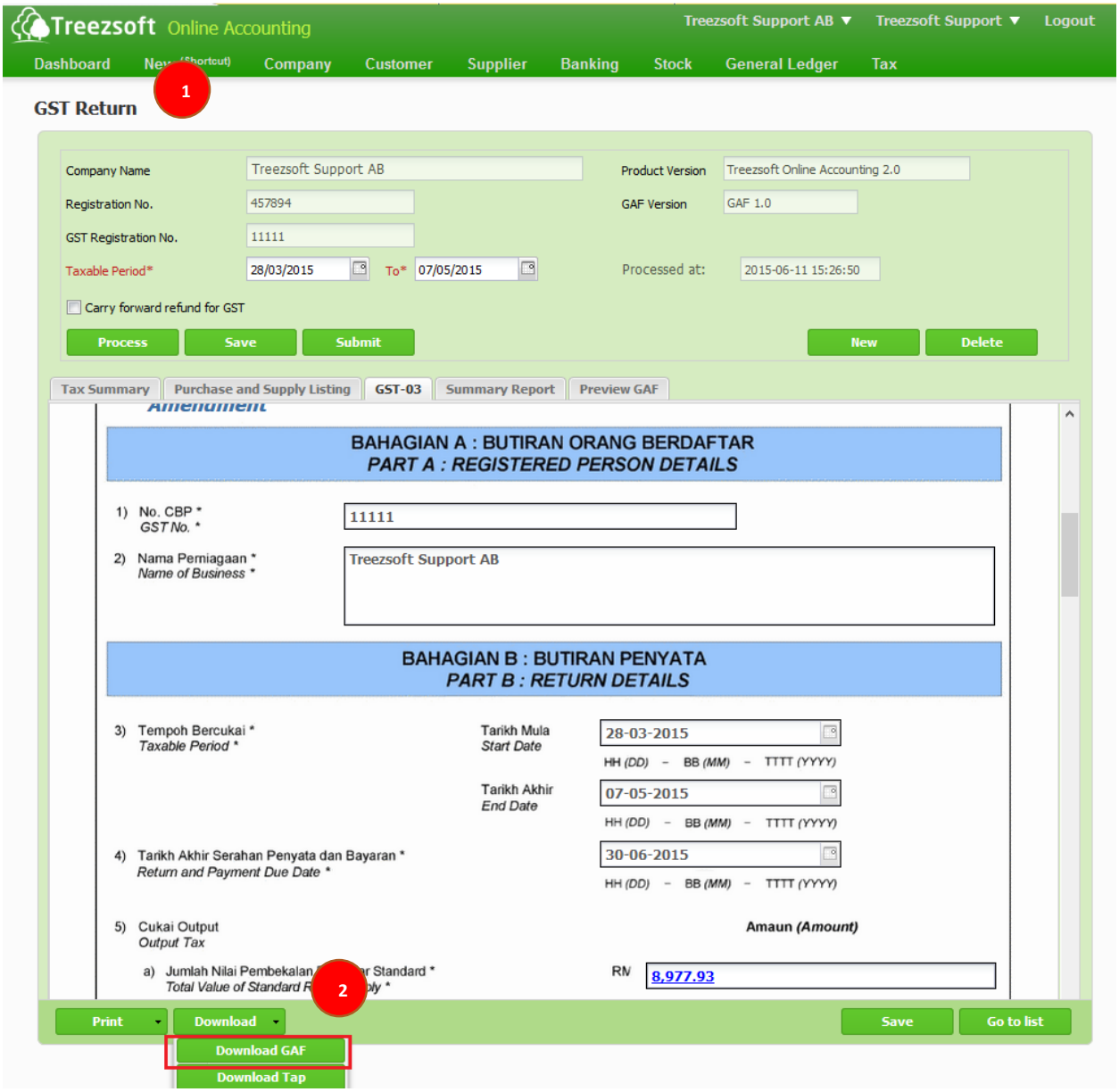
24.2 Record Claim of GST that refund from Customs



1. Go to **Cash Receipt** (under **Banking** module), and create a new cash receipt.
2. Charge the refund to **GST Clearing** account and **save**.

Step 25: Download GST Audit File (GAF)

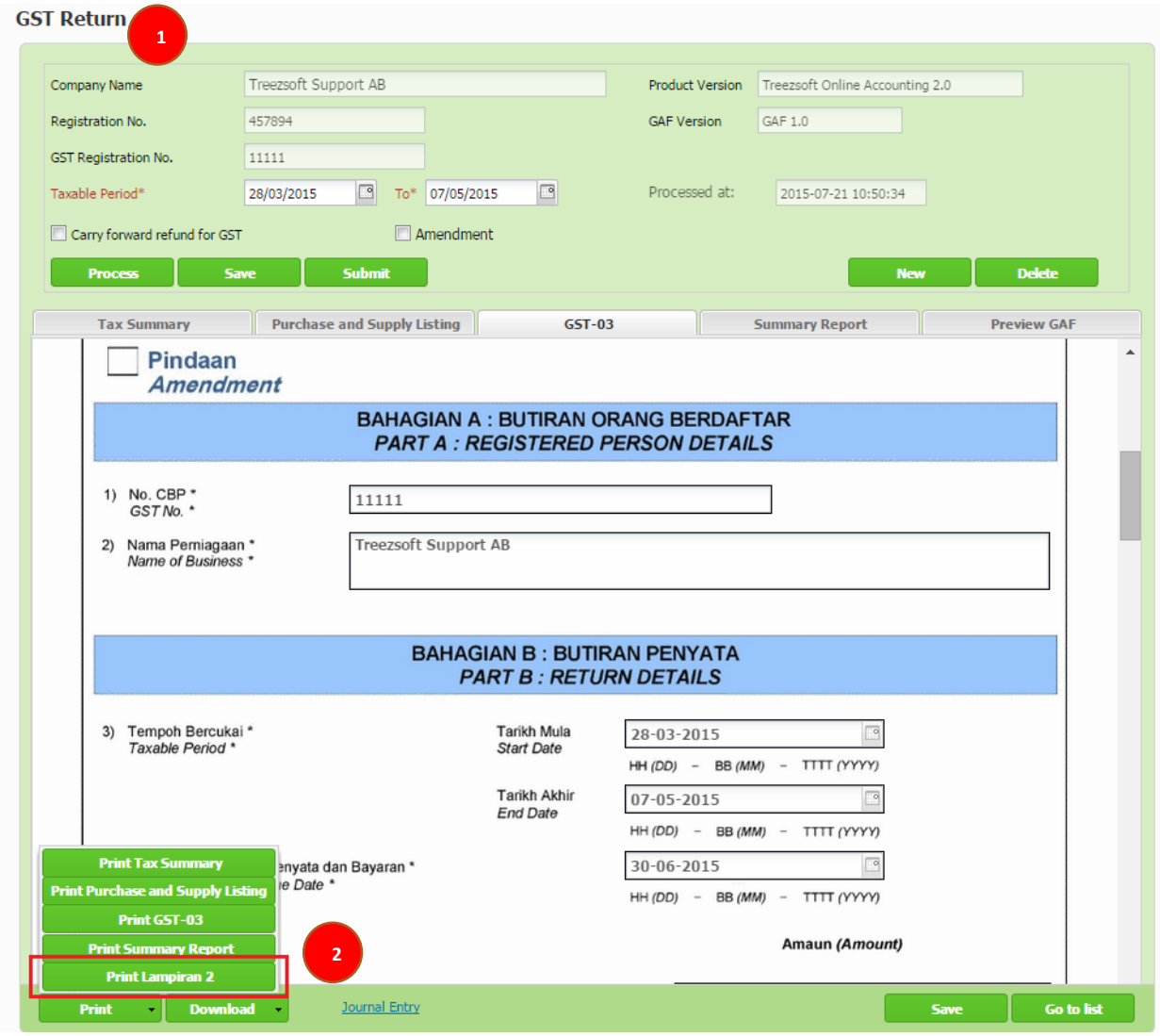
Definition: In case an audit is required, taxable party shall provide GAF file in xml or bar-delimited format.



3. Go to **Tax Return** (under **Tax** module), and select a taxable period.
4. Click **Download > Download GAF**. You only able to download it after saved the tax return.

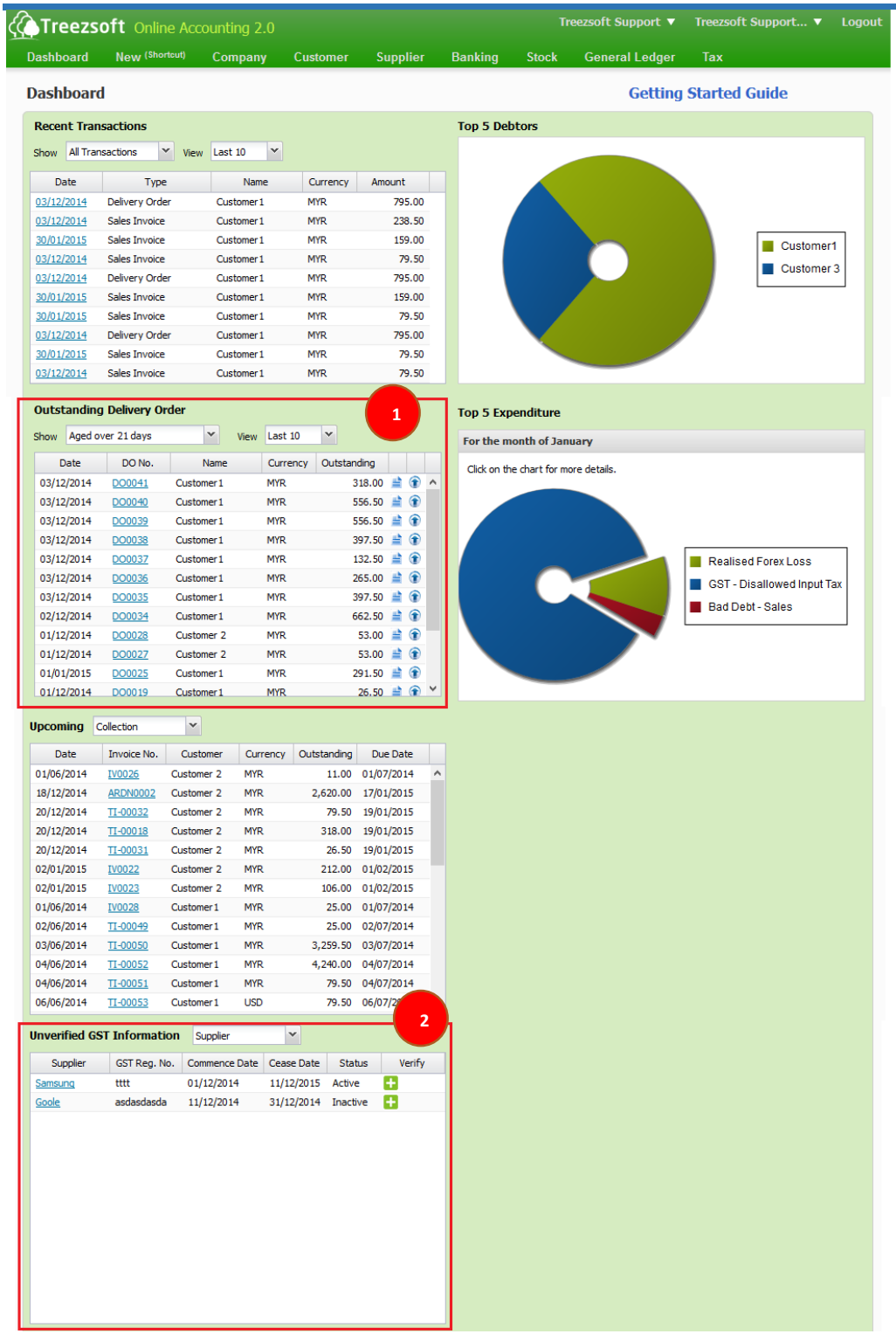
Step 26: Print Lampiran 2

Definition: In case an audit is required, Customs might request Lampiran 2 when the company is requesting tax refunds from them.



1. Go to **Tax Return** (under **Tax** module), and select a taxable period.
2. Click **Print > Print Lampiran 2**. You only able to print it after saved the tax return.

Step 27: Dashboard



1. **Outstanding Delivery Order:**
    a. Quick view for outstanding DO.
    b. Quick view for outstanding DO which age approaching 21 days.
    c. Quick view for outstanding DO which age over 21 days.
    d. Shortcut to issue invoice.
    e. Shortcut to submit GST if tax invoice not issued within 21 days.
2. **Unverified GST Information:**
    a. Quick view for supplier who GST information yet to verify.
    b. Quick view for customer who GST information yet to verify.
    c. Shortcut to verify GST information.