

Some SMEs not ready for GST, especially on technical issues, says minister

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By Melati A. Jalil

With just over two weeks before the Goods and Services Tax (GST) kicks in, some small and medium enterprises (SME) are still not ready and are beginning to panic over the technicalities of the consumption tax, Minister in the Prime Minister's Department, Datuk Dr Wee Ka Siong said today.

"Some of them are panicking, because the time is getting closer, 16 days from now. Some of the technicalities, like where you want to sell plain bread compared to anchovies bread, which one is subjected to 6%, what if my cashier forgets to collect 6%, what should I do...

"All this including the matter of invoices," he told reporters after officiating a workshop for secondary school teachers.

He said some of the SMEs are still not sure whether their businesses need to register for GST as sometimes they exceed the RM500,000 minimum turnover requirement and sometimes they do not.

"We have asked them to use a particular software to record certain goods, they must be ready to know which goods will be subjected to GST.

"They must be prepared, we can't expect customers to understand," he said, adding that there must be a mechanism to look into borderline cases, involving companies whose revenue sometimes exceeds RM500,000.

He said, however, that SMEs whose revenue exceeds RM500,000 are ready as the deadline draws nearer.

"Those who have revenue more than RM500,000, they are more ready, but those who are yet to get RM500,000, they are afraid that the authorities will take action against them if they don't register for GST."

Wee said the Customs Department was doing its best to explain GST to the SMEs, as many talks have been conducted to help them understand the tax.

"Customs officers are going all out. Even this Wednesday, we will hold a forum for SMEs on GST, and we will get Customs officers to explain to them."

He added that some 1,600 SMEs are expected to attend the forum on Wednesday.

The Star reported MCA's SMEs bureau chief Datuk Ei Kim Hock as saying that the Customs Department had managed to register more than 340,000 enterprises,

exceeding an initial target of 160,000.

"The Customs Department has managed to register more than 340,000 enterprises.

"It shows a high level of compliance by SMEs," he said, according to the daily. – March 15, 2015.

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