

DECISION BY DIRECTOR GENERAL OF ROYAL MALAYSIAN CUSTOMS

ITEM 6:

Individual supply commercial property

Whether an individual has to charge GST when making a supply of his commercial property?

- (i) GST shall be charged by a taxable person in the course or furtherance of business on any taxable supply of goods or services made in Malaysia (section 9 GSTA).
- (ii) Taxable person means any person who is or is liable to be registered under section 2 GSTA. A person is liable to be registered if his total taxable supply of the current month and the next eleven months exceeds RM500,000.
- (iii) Any individual who is not a GST registered person is treated as carrying out a business if he at any one time owns – *(wef 28/10/2015)*
 - (a) more than 2 commercial properties;
 - (b) more than one acre of commercial land; **OR**
 - (c) commercial property or commercial land worth more than 2 million ringgit at market price;
- (iv) Any individual mentioned in paragraph (iii) is liable to be registered as a GST registered person if – *(wef 28/10/2015)*
 - (a) he has the intention to supply any of his commercial properties or commercial land; **AND**
 - (b) the total value of such supply exceeds the prescribed threshold in 12 months periods.
- (v) 'at any one time' mentioned in paragraph (iii) means at any point of time in his lifetime commencing after the effective date. *(wef 28/10/2015)*
- (vi) Any individual is treated as carrying out a business and making a supply of taxable service if: *(wef 28/10/2015)*
 - (a) he is supplying any lease, tenancy, easement, licence to occupy or rent ; **AND**
 - (b) his annual turnover for such supply has exceeded the prescribed threshold in the period of 12 months.