Smart-Acc Solutions Sdn Bhd
(company Registration 624898-T)

Written By : Richard Tai

How To Do Journal Entry For Malaysia GST

1. Journal Entry - GST Annual Adjustment

It is important to ensure that the settings here are accurate before starting any transactions

i. Call out the [Annual Adjustment] from <GST Malaysia> - <C. Yearly GST Report> - <1. Annual Adjustment >

Fig. 1

ii. From the above report, perform a Journal Entry transaction.

Fig. 2

iii. Reference number is automatically generated. You can type in your own document number if required. Key in the date and remarks.

iv. Select the Output GST Account Code and Key in the "GST Annual Adjustment For The Year 20xx" amount. Select Tax Code "AJP" and ensure [IsGSTTaxExc] is marked.

v. Next, select {Other Income} account code (if amount is in +ve) and key in the "Adjustment For Output Tax" amount. Do not key in any Tax Code.

vi. Next, select the Output GST Account Code and Key in the balance amount ("GST Annual Adjustment For The Year 20xx" + Gst Amount + Other Income + "Adjustment For Output Tax"). Do not key in any Tax Code.

2. Journal Entry - Adjustment on ITC claim in July 2016 due to ineligibility of De Minimis Rule

It is important to ensure that the settings here are accurate before starting any transactions

i.   Call out the [Annual Adjustment] from <GST Malaysia> - <C. Yearly GST Report> - <1. Annual Adjustment >

Fig. 3

Date	Inv. No.	Description		Inv. Amount	GST Amount	IRR	ITC Claimed	Code
				Amount	AIRR		TX-RE 2014	
		Total ITC Claim TX-RE For the Year 2014		433,600.00			20,733.83	
		Total ITC Claim TX-RE For the Year 2014		433,600.00	80.02 %		20,818.00	
		Adjustment For Output Tax					84.17	
		GST Annual adjustment for the year 2014					**1,402.83**	
		Total exempt input tax (TX-N43) which is eligible for Deminimis Rule need to be accounted as output tax					1,188.00	
		Adjustment on ITC claim due to ineligiblity of De Minimis Rule					**19,800.00**	
		Adjustment for 2014						
		TX-RE Adjustment		-84.17				
		TX-N43 Adjustment		1,188.00				
		Total adjustment (AJS)		1,103.83				
		Annual Adjustment on ITC due to ineligiblity of De Minimis Rule					**Tax Code**	
		DR GST Expenses		1,103.83	0.00			
		CR GST Output Tax		0.00	1,103.83	AJS		

ii.   From the above report, perform a Journal Entry transaction.

Fig. 4
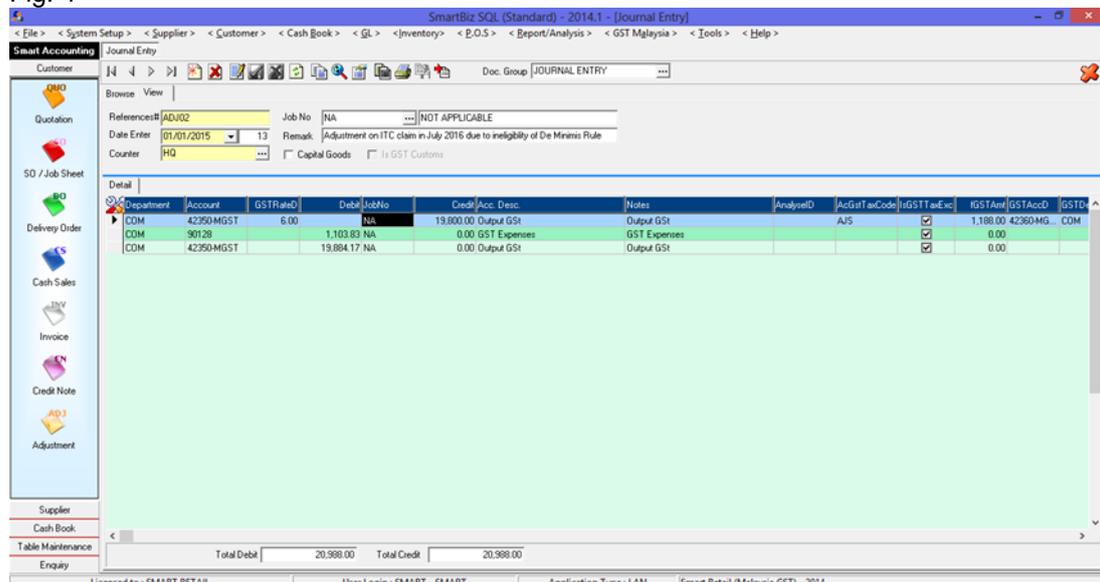
iii. Reference number is automatically generated. You can type in your own document number if required. Key in the date and remarks.

iv. Select the Output GST Account Code and Key in the "Adjustment on ITC claim in July 2016 due to ineligibility of De Minimis Rule" amount. Select Tax Code "AJS" and ensure [IsGSTTaxExc] is marked.

v. Next, select {GST Expenses} account code and key in the "Total Adjustment" amount. Do not key in any Tax Code.

vi. Next, select the Output GST Account Code and Key in the balance amount ("Adjustment on ITC claim in July 2016 due to ineligibility of De Minimis Rule" – Gst Amount – "Total Adjustment"). Do not key in any Tax Code.

Notes:
DO NOT BACK DATE TRANSACTIONS AS GST REPORTS AND RELEVANT SUBMISSIONS HAD BEEN SEND (SUBMITTED) TO KASTAM.