



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

Date	Inv. No.	Description	Inv. Amount	GST Amount	IRR	ITC Claimed	Code
			<u>Amount</u>	<u>AIRR</u>		<u>TX-RE 2014</u>	
		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 ineligibility 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 ineligibility 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. 2

The screenshot shows the 'Journal Entry' window in SmartBiz SQL. The window title is 'SmartBiz SQL (Standard) - 2014.1 - [Journal Entry]'. The menu bar includes File, System Setup, Supplier, Customer, Cash Book, GL, Inventory, P.O.S, Report/Analysis, GST Malaysia, Tools, and Help. The 'Smart Accounting' menu is open, showing options like Quotation, SO / Job Sheet, Delivery Order, Cash Sales, Invoice, Credit Note, and Adjustment. The 'Adjustment' option is selected. The window displays the following details:

Department	Account	GSTRateD	Debit/JobNo	Credit/Acc. Desc.	Notes	AnalysedID	AcGstTaxCode	IGSTTaxExc	IGSTAmt	GSTAccD	GSTDr
COM	42350-MGST	6.00	NA	1,402.83 Output GST	Output GST		AJP	<input checked="" type="checkbox"/>	84.17	42310-MG	COM
COM	85000		NA	84.17 Other Income	Other Income			<input checked="" type="checkbox"/>	0.00		
COM	42350-MGST		1,571.17 NA	0.00 Output GST	Output GST			<input checked="" type="checkbox"/>	0.00		

At the bottom of the window, the 'Total Debit' is 1,571.17 and the 'Total Credit' is 1,571.17. The status bar at the bottom indicates 'Licensed to: SMART RETAIL', 'User Login: SMART - SMART', 'Application Type: LAN', and 'Smart Retail (Malaysia GST) - 2014'.

Disclaimer:

The information in this document is meant to supplement, not replace, proper guidance. The author advise readers to take full responsibility for their actions and know their limits. Before practicing the guides described in this document, be sure that your data is well backup, and do not take risks beyond your level of experience, aptitude and comfort level.



- 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.

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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

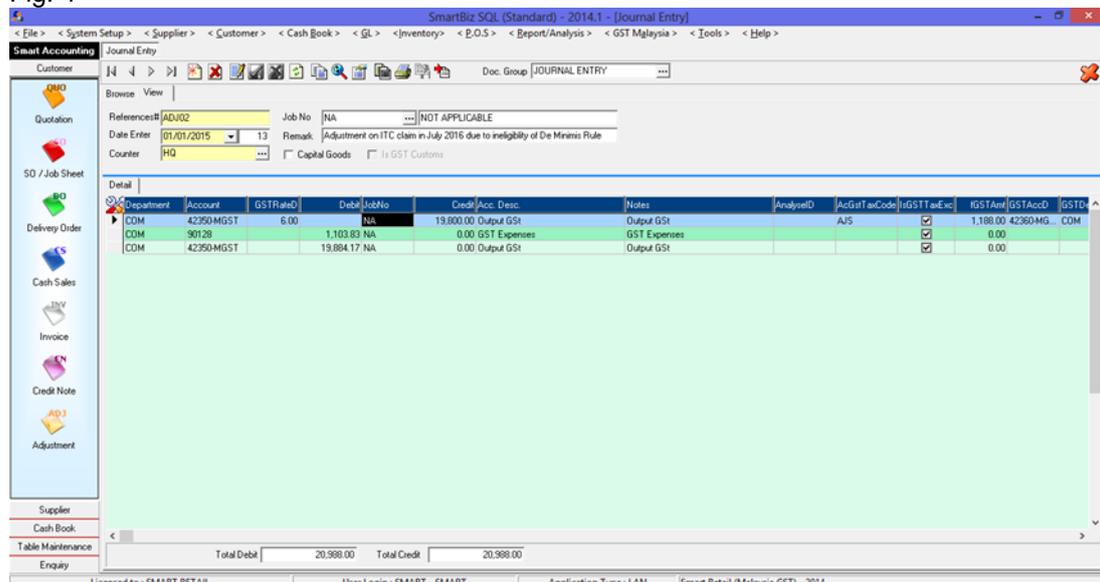
- i. Call out the [Annual Adjustment] from <GST Malaysia> - <C. Yearly GST Report> - <1. Annual Adjustment >

Fig. 3

Date	Inv. No.	Description	Inv. Amount	GST Amount	IRR	ITC Claimed	Code
			<u>Amount</u>	<u>AIRR</u>		<u>TX-RE 2014</u>	
		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 ineligibility 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 ineligibility of De Minimis Rule					
		DR GST Expenses	1,103.83	0.00			Tax Code
		CR GST Output Tax	0.00	1,103.83	AJS		

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

Fig. 4



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- 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.

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