

# SQL Financial Accounting – Import Goods Treatment

## SQL Financial Accounting GST – Import Goods Treatment



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#### **VERSION CONTROL**

Version No.	Date	Initiated by	Remarks
1.0	28 March 2015	Loo Chin Soon	Initial document
1.1	22 April 2015	Loo Chin Soon	Update K1 and new screenshot,
1.2	24 Jun 2015	Loo Chin Soon	For forwarder invoice, tax code IM should refer to Local Tax Amount instead of Tax Amount.

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#### **GST – Import Goods Treatment**



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#### 1 INTRODUCTION

IM - "Import of goods with GST incurred". It means there is an input tax claimable. Tax rate is 6%.

Purchase of goods from oversea supplier, the supplier invoice received will not incurred GST. However, the GST will be taken place when the goods are discharged out from the port to forwarder warehouse or direct to the buyer. Custom will incurred the GST on the total value stated in K1 form.

#### 2 GST IMPORTATION OF GOODS (IM)

#### 2.1 Tax Code

[GST → Maintain Tax...]

You can found the following tax code available in SQL Financial Accounting.

Tax Code	Description	Tax Rate %
IM-0	Import of goods with no GST incurred (for Foreign Supplier	0%
	Account)	
IM	Import of goods with GST incurred	6%

#### 2.2 Oversea Supplier Invoice

[Purchase → Purchase Invoice...]

- 1. Create the oversea supplier invoice at Purchase Invoice.
- Select the tax code "IM-0". Tax amount = 0.00



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#### 2.3 Received Forwarder Notification from K1 /Invoice

Let's said in the K1 form show like this:-

Goods value = 1,155.00 (USD300 x 3.8500) Add: Custom Duty (5%) = 57.75 (RM1,155 x 5%) Total Taxable Amount = 1,212.75 Add: GST (IM) = 72.77 (RM1,212.75 x 6%)

Therefore, the forwarder will raised their invoice for details as shown in below:-

Net(MYR)	GST	Gross (MYR)
= 57.75		
= 72.77		
= 130.52		130.52
= 100.00	6.00	106.00
		236.52
	= 72.77 = 130.52	= 57.75 = 72.77 = 130.52

#### NOTE:

GST Import can be calculated in different way. It might based on total weight (ie. weight x container) or total meter square (ie,meter square x container). For example,

GST Import = 30,000m2 x 10 containers x 6% = RM18,000.00

#### 2.4 Forwarder Invoice Input

[Purchase → Purchase Invoice...]

- 1. Select the forwarder supplier code in Purchase Invoice.
- 2. Insert the following fields:
  - a. Import Curr.Code (for display only)
  - b. Import Curr Rate (for display only)
  - c. Import Purchase Amt (GST Import input)
  - d. Tax Amount
  - e. Local Tax Amount
- 3. Click on the side button under Import Purchase Amt column. See screenshot below.

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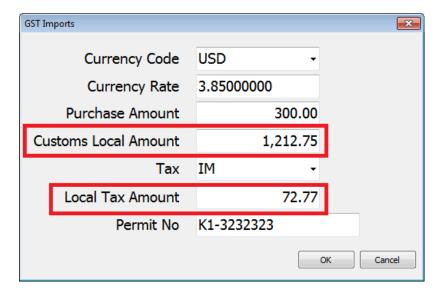


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**4.** You have to input the info according to **2.3.** Received Forwarder Notification from **K1 /Invoice** example.

	Input Value	Explanation
Currency Code	USD	Currency on the goods
Currency Rate	3.85	Follow K1 exchange rate
Purchase Amount	300.00	Goods value in foreign currency
Custom Local Amount	1212.5	Follow K1 total taxable amount.
		Formula = Purchase Amount + Custom
		Duty
Tax	IM	6%
Tax Amount	72.77	1,212.75 x 6%
Permit No	K1-3232323	Key-in K1 no.



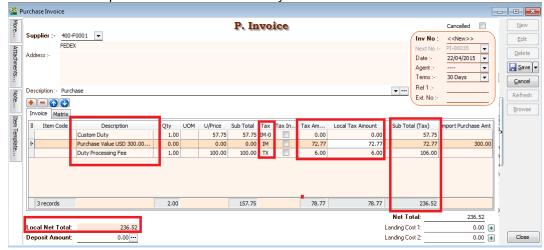
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- 5. After press OK to exit the GST Import screen, the purchase invoice item description will be updated as <u>"Purchase Value USD 300.00@3.8500 = RM 1,155.00, Permit No: K1-32323232"</u> from the GST Import entered.
- 6. Below is the sample of Forwarder invoice entry.





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