



Indirect Tax Alert

Anti-Profitereing Regulations - How can Deloitte help?

As covered in our most recent **Alert** on **6 June 2018**, new anti-profitereing rules took effect from 6 June 2018 and now cover the supplies of ALL goods and services. Click [here](#) to read the alert.

The new Malaysian Government has been very clear in their expectation that the prices of goods and services would decrease from the abolishment of GST, and this sentiment has been reflected amongst the general public.

We have already seen action taken by the authorities in querying pricing decisions and issuing notices to a number of our clients.

As we have been contacted by many clients to enquire about how we can help, we have set out below a summary of our general service offering:

Part 1: General advice on anti-profitereing requirements

	<p>Provide slide deck to advise on basic understanding and awareness of Anti-Profiteering Regulations, covering the following areas:</p>
<p>a.</p>	<ul style="list-style-type: none"> ➤ New mechanism/formula under the law, to determine unreasonably high profit; ➤ Formula on % markup or % margin; and ➤ Overview of penalties on non-compliance.
<p>b.</p>	<p>Discuss with you on your concerns on the Anti-Profiteering Regulations.</p>

Part 2: Review/discuss your computations based on anti-profiteering formula

<p>a.</p>	<p>Review up to 5 sample computations prepared by you based on the formulas under the Anti-Profiteering Regulations.</p>
<p>b.</p>	<p>Comment on the sample computations reviewed as to compliance with the Anti-Profiteering Regulations.</p>

Part 3: Attending to queries/'notice 21' from the State offices of the Ministry of Domestic Trade, Cooperatives and Consumerism ("MDTCC")

<p>a.</p>	<p>Review query/notice 21 raised by State MDTCC.</p>
<p>b.</p>	<p>Meet with State MDTCC raising the query/notice to provide you with anti-profiteering technical support.</p>
<p>c.</p>	<p>Assist to draft 'holding' letter to State MDTCC for time to respond to any query/notice, where required.</p>
<p>d.</p>	<p>Assist to draft letter to State MDTCC to respond to State MDTCC query/notice. This may include assistance to prepare slide deck for the purpose of providing the response.</p>
<p>e.</p>	<p>Review supporting documents provided by you from an anti-profiteering perspective.</p>
<p>f.</p>	<p>Compile and submit letter/slide deck to State MDTCC together with supporting documents to be provided by you.</p>

*Notice 21 is the name of the notice issued by MDTCC under the anti-profiteering law to initiate investigation on anti-profiteering compliance.

Part 4: Representation to MDTCC Headquarters

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| a. | Assist in preparing letter/slide deck for making representation to MDTCC HQ on anti-profiteering matters. |
| b. | Meet with MDTCC HQ to provide you with anti-profiteering technical support on anti-profiteering matters. |

Fee structure

Due to the fact that the new regulations impact each business differently, we have adopted flexible billing arrangements (e.g., retainers) or specific task-based engagements as and when required. These can be tailored to your needs.

Our Team

Since the introduction of the original anti-profiteering rules in 2014, Deloitte has been very active in assisting clients in understanding and complying with the rules, including management and closure of audits. We have a dedicated team of professionals that handles anti-profiteering matters and their contact information can be found below.

You are also most welcome to reach out to your usual Deloitte contact.

Deloitte Anti-Profiteering Team

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Best regards,
Indirect Tax Team



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