

Question 101

TX-CG is used for new asset acquired, but when the asset is disposed, what is the effect on accounting transaction and GST?

Answer:

Issue a Tax Invoice for the disposed asset with SR-CG Output Tax code.

Accounting journal will be treated as follow:-

Debit Cash control account,	Amount = Total disposed value + GST
Credit Income received account,	Amount = Asset Disposed Value
Credit GST SR-CG control account,	Amount = 6% on asset disposed value