

22/12/2002

States to improve tax collection

KUALA LUMPUR, Sat. - State Governments are taking steps to improve the collection of taxes by local authorities.

They agreed with Prime Minister Datuk Seri Dr Mahathir Mohamad's statement yesterday that local authorities could be more competent in carrying out their responsibilities.

Dr Mahathir had described local authorities as "a little lazy" and that this could be due to the fact that some of them were made up of politicians who were afraid they might become unpopular if they pushed for tax collection.

In Ipoh, Selangor Menteri Besar Datuk Seri Dr Mohd Khir Toyo said a committee was formed last year to monitor the collection of taxes by local authorities, targeted at 90 per cent.

Applications from local authorities to increase assessment rates would be rejected if they did not achieve the 90 per cent target, Dr Mohd Khir said at the Malaysian Youth Council's Hari Raya gathering.

Perak Menteri Besar Tajol Rosli Ghazali said the collections by local authorities, except the Ipoh City Council, Manjung and Taiping municipalities and three other district councils, were insufficient to pay staff salaries and carry out development projects.

He said the State Government would not assist local authorities with deficit budget who had failed to collect their arrears.

In Malacca, Chief Minister Datuk Seri Mohd Ali Rustam agreed that some local councils have problems in collecting taxes.

He said he would instruct the local councils to double their efforts in collecting the taxes due to them.

"However, some Opposition members are inciting the people not to pay taxes, alleging that they enjoy very little benefits," Ali said.

In Johor Baru, Johor Local Government Committee chairman Datuk Jimmy Low Boon Hong said tax collection by local authorities in Johor was being closely monitored by the State Government.

He said Menteri Besar Datuk Abdul Ghani Othman had visited 16 local authorities this year to check on their progress and found they had performed well in collecting the taxes.

In Alor Star, Kedah Housing and Local Government Committee chairman Datuk Ahmad Bashah Md Hanipah admitted that the political element in local councils played a big role in dissuading them from carrying out strict enforcement against errant ratepayers.

"We welcome the Prime Minister's comments and we will take steps to work towards improving the council's enforcement efforts."

In Kuala Terengganu, Terengganu Local Government, Housing, Environment and Public Administration Committee chairman Datuk Wan Abdul Muttalib Embong said the Government should bring back the election process to choose councillors for local authorities.

He said elected councillors would feel more obligated to give efficient service.

In Kuching, Sarawak Environment and Public Health Minister Datuk William Mawan Ikom said there was no problem in collecting assessment rates by the local authorities in Sarawak.

However, he said there were some difficulties in collecting the rates from people living in remote areas.

In Kota Kinabalu, Sabah Local Government and Housing Minister Datuk

Salleh Tun Said said all local authorities had been directed to collect taxes and arrears.

"It is true that local authorities are lax in tax collection. My ministry has given top priority to the need to collect tax and arrears starting next year."

In Kangar, Kangar Municipal Council president Baharudin Ahmad said the council would not hesitate to institute legal proceedings against those who failed to settle their assessment rates.

He urged premises owners not to use political influence or "delaying tactics".

In Penang, Local Government, Environment and Traffic Management Committee chairman Datuk Dr Teng Hock Nan said the councils' collection rates were between 70 and 80 per cent each year, making them among the country's most effective municipalities in tax collection.

Due to this, he said the councils had been self-sustainable in funding routine operations and development programmes.

Meanwhile, Deputy Housing and Local Government Minister Datuk M. Kayveas said if local council officials did not carry out their duties properly, the council president should write to the Menteri Besar and recommend their removal.