

'GST will burden every M'sian by RM1,000 a year'

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Every Malaysian will be burdened by an extra RM 1,000 a year should the government impose a seven percent Goods and Services Tax (GST) rate, Penang Chief Minister Lim Guan Eng has said.

He also said that the GST rate would make it easy for the federal government to hand out 1Malaysia People's Aid (BR1M) of RM1,200 as it has promised, because the government stands to earn an extra RM5,000 from every household by implementing GST.

"BN will reap great profits while the rakyat who are of the lower income group will be the ones who will suffer losses," he said in a statement today.

Minister in the Prime Minister's Department Idris Jala recently hinted that the government could earn up to RM27 billion in extra revenue by imposing a seven percent GST rate.

However, Lim said that implementing GST at such a rate will only increase inflation while impacting the lower income category the most.

"Pakatan Rakyat principally rejects such a consumption tax because the majority of households in Malaysia are yet to have an income reasonable enough," he said.

Lim said that average Malaysian families already utilise almost half of their income to service debts, and that they should not be burdened any further.

"Pakatan will fight against this suggestion (seven percent GST) in Parliament by reminding BN that it only has 47 percent of the popular vote, and that it doesn't have the right to impose GST on the majority of people," he added.

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