

Rafizi to gov't: Slash car taxes, then up fuel costs

MalaysiaKini.com

Sept 13, 2013

The people are unable to accept the increasing of petrol prices by the BN government because they are already faced with 'exorbitant' taxes when buying cars, says PKR parliamentarian Rafizi Ramli.

NONEReferring to a recent report by The Edge that said Malaysia's car prices are the second highest in the world, Rafizi (left) said this came as no surprise in view of the country's car taxation system.

"An exorbitant car taxation system causes the Malaysian rakyat to pay a price that is at least at least one times more (for cars) than other countries.

"That is why the rakyat cannot compromise when BN increased the price of petrol, because it is not fair at a time when taxes imposed on cars are among the highest in the world," the PKR director of strategy said in a statement today.

If the government wants to raise petrol prices to mark it to market by ending subsidies, it must also do the same for car prices which were artificially inflated by the high taxes, he said.

The Edge's report had quoted a survey by American automobile website Jalopnik.com. The site surveyed compared the price of the same car, Toyota Prius FR-S, all over the world and found that it costs US\$73,529 in Malaysia, second only to Singapore where it was listed at US\$135,421.

Rafizi made his own calculations to show that the average Malaysian, driving a RM60,000 car, were in fact paying the equivalent of RM300 a month in excise duties. This compares to the average household petrol subsidy of only RM189 a month, assuming that the household uses 300 litres of petrol a month, with a subsidy of 63 sen a litre.

"This is clearly an injustice and oppresses the people... I will continue to protest any attempts to raise hike petrol prices as long as car prices are not slashed to match," Rafizi said.

Under its election manifesto for GE13, Pakatan had previously promised to cut car excise taxes to lower car prices and petrol prices. BN had also promised to lower car prices before the elections but over five years period.

But two months after the elections, International Trade and Industry Minister Mustapa Mohamed said the government has no plans to slash excise duty on cars as it was a major source of government revenue, contributing up to RM7 billion a year.

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