Double tax slap on cinema-goers with GST
MalaysiaKini.com
Dec 8, 2014

Cinema-goers will face double taxation with the introduction of the goods and services tax (GST) next April on top of a sizeable entertainment duty.

Raising the alarm, entertainment news portal Cinema Online said that this is expected as the six percent GST will only replace the sales and services tax (SST).

As such, any savings from the introduction of the GST touted by the government does not apply, because the SST is not levied on cinema tickets.

Instead cinema-goers pay entertainment duty of 25 percent, it said.

"With the new GST set to eliminate the SST, it sounds like a pretty good deal mathematically doesn't it?

"Wrong, because movie tickets are not subject to the SST anyway, only the entertainment duty," Cinema Online writer Naseem Randhawa said.

Naseem added that this does not take into account the GST charged on drinks and snacks like popcorn, which is seen as an essential part of cinema-going.

"The implementation will neither make our wallets lighter, nor weigh it down. However, if you're thinking of dining at the cinema at TGV's Indulge or GSC's Glitters Café, which meals include a 10 percent service charge then coupled with the six percent GST, things can get rather pricey," Naseem said.

Ticket prices in the Klang Valley go for as low as RM8 at non-peak hours, but are mostly priced between RM10 to RM20 depending on seats, time and film.

Online survey

The portal also launched an online survey to seek consumer feedback on the matter.

Among others, respondents are asked if they are prepared to pay the new rates or will seek other alternatives like streaming or downloading movies online or buying pirated DVDs.

The ongoing survey also asks respondents if the entertainment duty should be reduced or cancelled with the introduction of the GST.

Most who commented on the issue on Cinema Online's Facebook page said that they will opt for alternatives if price of cinema tickets go up further.

"How much tax does this government want us to pay?

"It's like a greedy king who forces its subjects to pay taxes beyond their means to finance his palace's wasteful expenses. Such kings will eventually be dethroned," reader Siva Parameswaran said.

Another reader, Stan Lee, said that the government must decide to impose either the GST or entertainment duty on cinema tickets but not both.

Others, however, think a few extra sen will not matter as cinema-goers can afford it.

"Those who go to the cinema are those with extra pocket money, so GST is not a problem," reader Jayy Hardy said.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd
Sourcehttp: http://www.malaysiakini.com/news/282846