

GST on cinema tickets won't affect sales

MalaysiaKini.com

Dec 11, 2014

Goods and services tax (GST) on cinema tickets will not affect ticket sales, leading cinema operator Golden Screen Cinemas (GSC) said.

GST at 6 percent is expected to be levied on top of the 25 percent entertainment duty already charged on cinema tickets.

A GSC marketing spokesperson told China Press the six percent price hike will not discourage movie-goers because going to the cinema is a basic form of entertainment for modern society.

GSC would offer promotions as incentives for customers in the wake of the new tax, the spokesperson said.

Rival company TGV declined to comment. Chief executive officer Gerald Dibbayawan said the company has yet to discuss the matter, the daily reported.

On top of ticket prices, snacks and drinks usually sold at cinemas are expected to rise due to the tax implementation.

Starting April 1 next year, GST will be levied on goods and services nationwide.

The new tax rate will replace the current sales and services tax.

Entertainment duty is levied by the local government while GST is levied by the federal government.