

## **Customs denies GST to be imposed on tolled bridges**

**MalaysiaKini.com**

**Dec 18, 2014**

The Royal Customs Department has denied allegations that the goods and services tax (GST) will be imposed on tolled bridges.

This followed claims by Penang Chief Minister Lim Guan Eng yesterday that the Customs Department had reversed the GST-exempt status of the Penang Bridge, the Sultan Abdul Halim Mu'adzam Shah bridge, the Johor Causeway, and the Second Link Expressway.

“Please be informed that under the GST (Exempt Supply) Order PU(A)271, tolled highways on public roads include bridges, and this service is GST-exempt.

“The Royal Malaysian Customs Department has never at any time issued an official statement rescinding the said GST exemption,” said the Customs Department director-general Khazali Ahmad in a statement today.

Lim had told a press conference yesterday that the bridges were originally GST-exempt, but the Customs Department had told a briefing last month that the government has scrapped the exemption.

“The federal government decision will increase the burden of millions of motorists using Penang’s two bridges each day, whereas those using the Johor Causeway and the Second Link are also not spared,” he said.

He added that the state government would petition the federal government to reinstate the exemption.

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