

Minister: Don't pay service charge if service is bad
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The 10 percent service charge imposed by hotels and restaurants need not be paid after the Goods and Services Tax (GST) is implemented, said Deputy Finance Minister Ahmad Maslan.

He said the proposal to rename the service tax to hotel or restaurant charge should also be implemented immediately so that consumers did not confuse it with the GST.

"The service tax imposed by hotels and restaurants does not go to the government. This charge is called tips and should be given to the employees but some companies abuse it by keeping it to themselves and not passing it on to the workers.

"So I want to inform that you don't have to pay the 10 percent service charge if their service is not good," he told reporters here today.

Ahmad was commenting on the service charge imposed by restaurants and hotels which was exorbitant and could confuse consumers once the GST is implemented in April.

Earlier, he spent about two hours with residents in the Kampung Larut Tin area in Taiping explaining the GST, Budget 2015 and other current issues.

Register by today

Ahmad Maslan also reminded companies which still refused to register under the GST that they would be compounded RM15,000 and forced to register from tomorrow.

"Today is the last day to register, up till midnight. They (the companies) have been reminded many times," he said.

He added that as of yesterday, 343,920 companies had registered the GST.

"Yesterday alone, 18,641 companies registered online and I think today many more will register," he said.

Ahmad also said the implementation of the GST should not be used as an excuse to raise the price of goods.

"There are several reasons, including the Sales and Service Tax imposed now is higher than the GST, there is also a system of input tax credit, and there are also many items which do not have to pay the GST," he said.

He would be visiting Pahang, Perlis, Negeri Sembilan and Penang to explain the GST, Budget 2015 and other current issues, he added.

- Bernama

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