

GST will continue, says PM
MalaysiaKini.com
Aug 20, 2015

Prime Minister Najib Abdul Razak said Putrajaya remains committed to the implementation of the Goods and Services Tax (GST) amid concerns about the economy.

Najib said the tax is part of fiscal reforms to reduce the country's deficit.

The prime minister said the commitment was made following a Cabinet meeting and engagement with economists about the state of the country's economy, and in particular, the falling Ringgit.

"The Malaysian government remains committed in pursuing its fiscal reforms and consolidation measures, including following through on the implementation of the GST and gradual reduction of the fiscal deficit towards achieving a balanced budget by 2020," he said.

Najib's reiteration came amid calls to slash GST in order to improve domestic consumption amid growing economic challenges.

Yesterday, Kedah Menteri Besar Mukhriz Mahathir proposed for GST to be reduced from six percent to three percent.

He added that the three percent level should be maintained until the people become accustomed to the new tax regime implemented since April.