

Najib Urges Telcos To Relook At 6 Per Cent Service Tax Move
MalaysianMirror.com
September 10,2011

KUALA LUMPUR -- Prime Minister Najib Tun Razak on Friday called on telecommunication companies to relook at their decision to impose a six per cent service tax on its prepaid mobile phone users each time they reload or buy a starter pack, saying that it would be a burden to them.

He said the decision had been taken by the telecommunication companies themselves and that the government had not approved any move to impose the service tax.

The move is not a popular one, considering the views and feedback received from consumers, he said.

The main focus now should be on reducing the burden of the rakyat and not about decisions to increase their burden, the Prime Minister said.

There have been many feedbacks and it is not a popular move and difficult for the people to accept, he told reporters after launching Maybank's new logo at Menara Maybank here.

"I hope the telecommunication companies would be able to restudy their move as at the present times, we want to reduce the burden of the people."

The people currently have to deal with the cost of various expenses while the prices of some foodstuff have shot up as well, Najib said.

Najib, who is also Finance Minister, was commenting on a joint statement by the telecommunication companies on Thursday, which announced the decision to impose the six per cent service tax on pre-paid products effective next Thursday, Sept 15.

The statement had said that the service tax was not something new and that the telecommunication companies had been absorbing them since the introduction of pre-paid mobile service in 1998.

With the service tax, the cost of a RM10 pre-paid reload would now come with an extra 60 sen payment from the consumers.

Meanwhile, Maybank yesterday launched its new logo featuring the Malayan tiger in an even more prominent way in line with its plan to expand into a global banking group.

(Bernama)