

## OUTBOUND TRAVEL

# PM: Govt to study departure levy issue

**SEPANG:** The government will look into the departure levy imposed on travellers flying out of Malaysia, said Prime Minister Tun Dr Mahathir Mohamad.

He said the government would look into why the same levy would be charged for passengers travelling with low-cost airlines and those flying with full service ones.

“We are studying this. Obviously, if they (airlines) are charging passengers a low fare, and the government charges such passengers the same exit tax with those on high-end flights, it is not fair.

“So we will look into that. We are studying the structure of our taxes so that it will be fair to everyone. We have to take into consideration the cost, fare, all of it.”

Dr Mahathir said this after launching AirAsia’s future air travel and digital airports exhibition at its headquarters, RedQ, here yesterday.

Present were Transport Minister Anthony Loke, AirAsia Group Bhd chief executive officer Tan Sri Tony Fernandes and AirAsia X Bhd chairman Tan Sri Rafidah Aziz.

At the tabling of the 2019 Budget last year, Finance Minister Lim Guan Eng said the government would propose a departure levy for outbound travellers beginning June 1 this year. It was delayed and is set to start on Sept 1.

The levy for passengers flying

from Malaysia to Asean countries is RM8 for economy class and RM50 for other classes.

For flights beyond Asean, economy class passengers will be charged a levy of RM20. Those travelling in premium class will be charged RM150.

The departure levy will not be imposed on infant and children under 2 years old. Transit passengers on connecting international flights are also exempted. The transit period must not exceed 12 hours.

Also exempt from the tax are crew on duty, as well as anyone driving or riding any type of vehicle for personal use, including pillion riders.

The exemption list includes operators of water and land vehicles, as well as any government operating any type of vehicles carrying passengers out of Malaysia.

Commercial operators that provide chartered air services to transport workers to oil rigs or platforms are excluded as well.

Meanwhile, Dr Mahathir said Malaysia was looking at opening up more aerospace and aviation hubs due to the opportunities they bring and land availability.

“KLIA (Kuala Lumpur International Airport), for example, when it was opened, we reserved 25 acres (10.1ha). The 25-acre area may not be enough. We are looking at opening up more aerospace and aviation centres.”

Dr Mahathir said the aerospace and aviation sector was not new in Malaysia as local companies had been carrying out finishing touches on airplanes assembled in other countries.

Airbus Helicopters recently opened a regional helicopter completion and delivery centre in Subang, further boosting the country’s position as a regional aerospace and aviation hub.

Loke had reportedly said new Airbus helicopters would be delivered to buyers in the region from the centre.

Earlier, Dr Mahathir praised AirAsia’s innovations, such as AVA (AirAsia Virtual Allstar), the artificial intelligence-powered chatbot, and FACES (Fast Airport Clearance Experience System), which would propel the travel industry into the future.

“In terms of airport experience, AirAsia was the first to implement self-service facilities, including check-in kiosk, self-bag tag and self-bag drop machines, which I experienced just now.

“And today, AirAsia is taking its guest experience one step further by showcasing the possibility of future air travel and digital airports.

“This is in line with Industry 4.0, where enhanced connectivity and automation have led to the creation of smart, autonomous systems, fuelled by data and machine learning, that are more efficient and less wasteful.”