

# PM: Go after tax evaders first GST can come later

MORE efficient revenue collection and strict enforcement on tax evasion is a sufficient alternative to re-introducing the Goods and Services Tax (GST), says Prime Minister Datuk Seri Anwar Ibrahim.

He said it was important for these measures to be beefed up to prevent tax evasion "among the rich".

"It's the rich towkays (tycoons) that often evade tax. I have said there should not be any compromise in ensuring the rich pay their taxes," he said in reply to Datuk Dr Zulkafperi Hanapi (PN-Tanjong Karang) in the Dewan Rakyat yesterday.

Anwar, who is also Finance Minister, has directed relevant authorities to investigate such cases including claims contained in the Pandora Papers.

On the GST, he said there were no current plans to re-introduce the tax system as the income level of Malaysians was still relatively low.

"As I have previously said with regard to the transparency of the GST system, we are not ready. The level of income of the people is still low. There are still some 30,000 who are hardcore poor.

"I don't see the government considering this in the next six months

or a year," he added.

To a question by Dr Mohammed Taufiq Johari (PH-Sungai Petani), the Prime Minister said the government has to strike a balance between reducing the deficit and promoting economic growth.

"We need to strike a balance as there are plans to reduce the deficit from 5.6% to 5% this year and to 3.2% by 2025," he said.

While development and operating expenditures went up from RM95bil to RM97bil and RM272.3bil to RM289.1bil respectively under Budget 2023, Anwar pointed out that revenue collection had exceed-

ed initial projections.

The Inland Revenue Board had collected RM294.3bil in 2022 compared with RM234bil projected in October last year, he said.

He added that the government would not be spending on anymore Covid-19 matters this year.

"We spent RM31bil on Covid-19 in 2022. We won't have to spend anything this year," he said.

Anwar also said that the government would be making a RM3bil one-off payment on the RM13.5bil 1Malaysia Development Bhd (1MDB) debt this year and would not have to do so again next year.