

'NEW TAX WON'T BE A BURDEN'

Steps will be taken to expand tax base, diversify sources and improve administration, says Anwar

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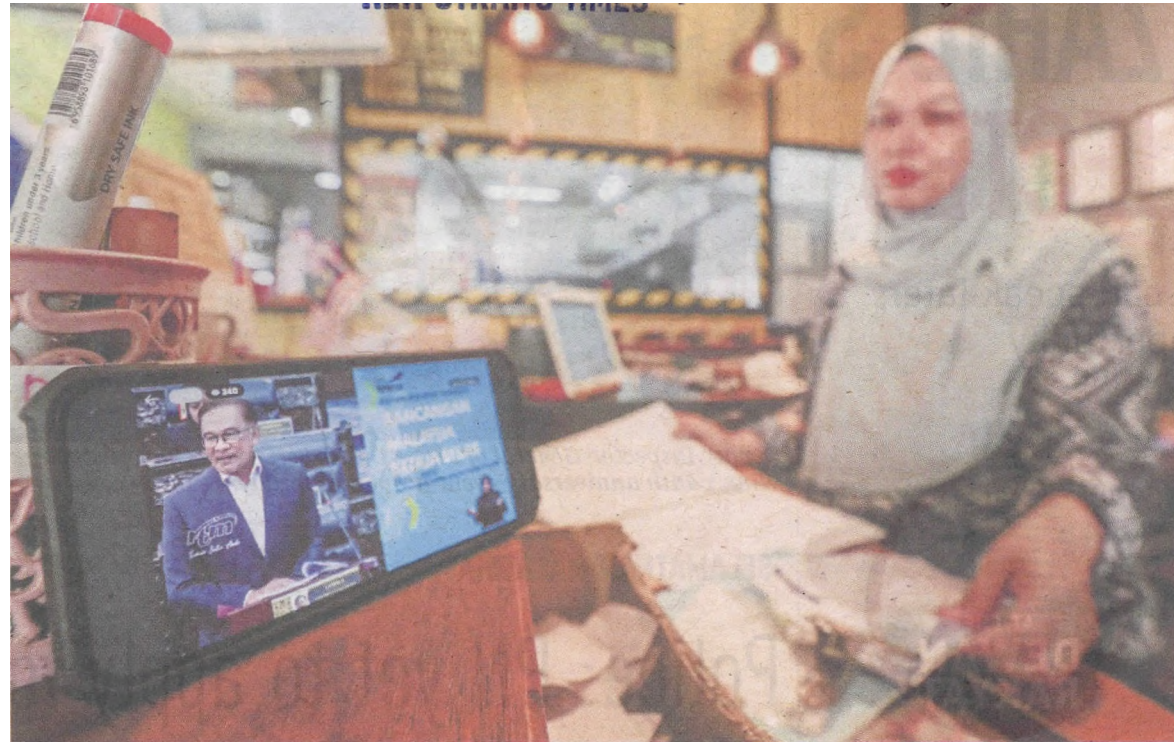
PRIME Minister Datuk Seri Anwar Ibrahim said the Capital Gains Tax, which will be introduced next year, will not burden the people.

During the presentation of the midterm review of the 12th Malaysia Plan in Parliament here yesterday, he said the principles that the government would be adopting would ensure fair economic equality for the wellbeing of all people.

"Steps will be taken to expand the tax base, diversify tax sources and improve taxation administration through the use of technology.

"Among the new types of taxes that will be implemented in 2024 is the Capital Gains Tax. However, it must be emphasised that this government serves the people and will never burden the people with tax rulings beyond their means," he said.

Anwar also said that a bill for a Public Finance and Fiscal Responsibility Act would be tabled



Restaurant operator Izyan Mohd Zaini watching Prime Minister Datuk Seri Anwar Ibrahim presenting the 12th Malaysia Plan midterm review at her outlet in Seberang Jaya, Penang, yesterday. **PIC BY DANIAL SAAD**

in the next Parliament session.

He said this was to improve debt and liability management towards achieving the fiscal deficit target of 3.5 per cent to gross domestic product (GDP) or better in 2025.

Meanwhile, Economy Minister Rafizi Ramli said the government was not ruling out the reintroduction of the Goods and Services Tax (GST), which was abolished in 2018.

He said, however, that the government would first prioritise its strategy to widen the nation's

revenue base, while focusing on redeveloping and rolling out the Capital Gains Tax next year.

"The government will stick to our strategy and is open to go through any ways to achieve fiscal sustainability through a wider revenue base.

"Hence, whether it is going to be the GST, Capital Gains Tax or any form of direct and indirect tax, we will only decide on a case-by-case or year-by-year basis.

"Meanwhile, any announcement with regard to any introduction of new tax or revenue will

then be made by the Finance Ministry from one budget announcement to another," he said.

Rafizi said this when asked whether the government planned to re-implement GST under 12MP.

Previously, in March, Anwar had said the country was not ready for the reinstatement of GST anytime soon.

He had reiterated that the people's income and threshold must first be increased and at a reasonable level for GST to be reinstated.