

PM: T15 INCOME TIER STILL BEING STUDIED

It could be as high as RM20,000 so that 85pc of Malaysians will get subsidised petrol, says Anwar

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THE government is still studying the appropriate threshold for the top 15 per cent of earners in the country (T15), Prime Minister Datuk Seri Anwar Ibrahim said.

He told the Dewan Rakyat yesterday this was necessary as data from the Department of Statistics Malaysia (DoSM) would set the threshold at RM13,000 per household, which was too low.

Anwar said the matter was being discussed by the relevant ministries, including the Finance Ministry, Economy Ministry, and the Domestic Trade and Cost of Living Ministry.

Replying to a question from Datuk Nik Muhammad Zawawi Salleh (PN-Pasir Puteh), Anwar denied that the definition of T15 was confusing.

"DoSM currently sets the income threshold (for T15) at RM13,000, which we believe is somewhat low.

"We are considering raising it to RM15,000 or RM20,000, and this is being discussed.

"So, there is no confusion or dispute at all, and this is something we refer to the cabinet," he said, adding that all parties should express their views based on facts.

The prime minister said the government would ensure that 85 per cent of Malaysians would get the targeted RON95 petrol subsidy, which was slated to take effect in the middle of next year.

He said only the T15 group and foreigners would have to pay the market price for the fuel, adding that this measure was reasonable.

"The main point here is that the (targeted) subsidies should not burden 85 per cent of the population. So we shouldn't act like champions of the T15 group, as has been voiced by many parties, including the opposition.

"It is reasonable for us to im-



Prime Minister Datuk Seri Anwar Ibrahim says it is reasonable to compel the wealthy to pay market price for petrol. BERNAMA PIC

pose market rates on the super rich and top-tier individuals. Isn't that appropriate?" he said in reply to Khoo Poay Tiong (PH-Kota Melaka) during Prime Minister's Question Time.

Anwar said he could accept that the government should not burden those earning less than the T20 group, but there were those who earned hundreds of thousands or millions of ringgit monthly.

"When we defend the T15 as a whole, this includes those who earn RM100,000 or RM1 million a month."

Anwar said the RON95 fuel subsidy had to be rationalised as the government spent RM20 billion on it annually. He also addressed suggestions from certain parties to lower fuel prices, as he had proposed when in the opposition.

"Sometimes, they say I compare (fuel prices) with Saudi Arabia, but there is no sincerity in their arguments, just political theatrics. The current price of oil in Saudi Arabia is RM2.62 a litre, but when we (previously) proposed (to lower the fuel price), the oil there was only 50 sen. Why is this not being brought up?

"If we bring down the price drastically, projects for the people have to be reduced. That is why the choice we made is to raise the fuel price according to global rates for the T15, and foreigners," he said.

Anwar also said the government had decided to reduce the dividend tax to two per cent from five per cent after considering the views and appeals' from micro, small, and medium enterprises (MSMEs).

He said he had taken note of the grouses voiced by MSMEs on the

dividend tax, which he had announced when tabling the 2025 Budget.

"Yes, there have been appeals from MSMEs to exempt them because they are different from listed companies.

"They sometimes take relatively small salaries, which they save to invest in their own companies, so there is some justification for this.

"That's why we initially decided on five per cent, but then reduced it to two per cent after considering the appeals that were submitted.

"We think that for a year, those with a shareholding of RM2 million, they will be taxed two per cent which is around RM700-RM800, and I don't think this is too burdensome."

Anwar said while the government was ready to consider proposals on the implementation of the tax, the administration would not allow for exemptions.

"If there is a proposal for something else, that's fine, but don't propose that we cannot tax the wealthy.

"I find that this is something very strange and contrary to our principle of fair wealth distribution," he added.

When tabling the 2025 Budget on Oct 18, Anwar had said the government planned to gradually expand the tax base by introducing a two per cent tax on dividend income exceeding RM100,000 for individual shareholders, beginning in the 2025 assessment year.

He had said this was to diversify income tax sources by not relying on wage earners, and including earnings of company owners and individuals with substantial shareholdings.