

PM: BASE SST CRITICISM ON FACTS

Decision to expand tax made carefully to ensure majority won't be burdened, says Anwar

QISTINA SALLEHUDDIN
PUTRAJAYA
news@nst.com.my

THE government is open to criticism over the expansion of the Sales and Service Tax (SST), but such views must be based on

facts, said Prime Minister Datuk Seri Anwar Ibrahim.

He said the cabinet's decision to expand the SST was made carefully to ensure it would not burden the majority of the people.

He also said student groups had claimed that electricity tariffs had increased under the expansion of the tax structure, but reiterated that tariff adjustments only affected the top 10 to 15 per cent of users.

"I do not quite understand. Is it true that students are affected? If universities are imposing electricity charges on students, and if that is accurate, then we must look into it.

"But from what I understand,

public universities are exempted. Issues like this are sometimes widely circulated, and freedom has turned into a space for slander and insults.

"That is why I encourage everyone, especially our younger generation, to share accurate facts. I have no issue with people criticising or voicing concerns," he said.

The revised SST rates come into effect today.

Commenting further, Anwar, who is also finance minister, said the introduction of SST on certain imported fruits was part of a targeted effort to promote local produce.

"When we introduced it on im-

NEW STRAITS TIMES

01 JUL 2025 pg 4

ported fruits, it was because we believed that it was time.

"We have started with a cautious approach, introducing a small tariff or tax on imported fruits. (Deputy Prime Minister Datuk Seri Dr Ahmad) Zahid (Hamidi) and other colleagues mentioned that apples, oranges and dates should be excluded.

"So I said, let's check with the ministry and even though it is rare for the ministry to revise a decision shortly after it is made, we can do that.

"For instance, with dates, we can adjust it ahead of next year's Ramadan, but to say that this (expansion of SST) is burdening the people, we must examine

that carefully."

Anwar also spoke on the criticism towards the Kota Madani housing initiative.

"Recently, we launched Kota Madani and as usual, the issue has become the target of political attacks. I truly do not understand why it cannot be supported, especially when it does not place a direct burden on the government.

"This is why I ask civil servants to consider this carefully and support the concept, as many are uncomfortable with it," said Anwar on the mega initiative conceptualised as a smart city that is people-friendly and environmentally conscious.