

PM: GOVT TO EXPLAIN NEW SST FRAMEWORK

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Anwar said this will address public confusion over expanded tax on items

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THE government will provide a clearer explanation on the implementation of the revised Sales and Services Tax (SST) framework, which comes into effect on July 1.

This, said Prime Minister Datuk Seri Anwar Ibrahim, was due to growing public confusion over the expanded SST.

Speaking after a PKR event here, he said recent public statements had led to misunderstandings, particularly over which goods and services will be affected.

"There has been confusion, such as the claim that bananas will be taxed under the SST — but this refers only to imported

bananas. We agree that better communication is needed, but our priority remains clear — not to burden the low-income group or the M40."

He said the government's aim was to target non-essential imports while ensuring essential goods remain exempt or taxed minimally.

Anwar said that although the policy would proceed, there is room for adjustments on specific items if warranted

"We are not reviewing the policy, but if certain items need tweaking, we can do that. People are upset before reading the list. Let's read it first," he said.

In **Bangi**, Bernama reported Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi as saying that the government would review the implementa-

tion of the revised and expanded SST on several selected imported goods, including fruits such as apples and mandarin oranges.

He said the decision to impose the SST of between five and 10 per cent on imported fruits should be reconsidered.

"I believe it is reasonable for (the new SST rate on certain goods) to be reviewed and I think there will be an adjustment for certain materials to be categorised for tax at five to 10 per cent.

"(But) don't take that conclusively," he said after opening the Community Development Department Teachers Day celebration here.

Mydin Holdings Bhd managing director Datuk Ameer Ali Mydin Mohamed had said the move to impose SST on imported fruit was unreasonable because it affected low-income consumers.

Zahid said the views put forward by Ameer Ali should be brought to the cabinet meeting.