

Chinese Businesses Want Transitional Period To Adjust To GST - Survey

Bernama

21 March, 2014

KUALA LUMPUR, March 21 (Bernama)-- Chinese businesses in the country are hoping the government will allow them a transitional period of up to two years to adjust to the Goods and Services Tax (GST) to be implemented on April 1 next year, says a survey.

Forty-nine per cent of the businesses polled said a one-year buffer should be offered to get used to the GST with no penalty for failing to comply during the period, said the survey by the Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCIM).

The result of the survey was released here Friday.

More than 20 per cent said they hoped for a two-year buffer, while 19.7 per cent asked for 1.5 years.

"Companies hope the government will grant them an adequate period of learning as they prepare their businesses to meet the GST requirement," Chairman of the ACCIM Commerce Committee, Dr Leong Kai Hin, told a media briefing when releasing the "Survey Report on Economic Situation of Malaysia For The Second Half of 2013".

According to Leong, more than half the respondents said they understood the workings of the GST, while 84 per cent were ready to send staff to attend courses to familiarise with the new taxation system.

However, 85 per cent of those polled said the GST is expected to add extra costs to their business operations and 60 per cent indicated they are able to pass on the extra costs to consumers, he said.

ACCIM polled 345 Chinese businesses across all sectors, such as wholesale and retail trade, manufacturing, business services, construction as well as real estate, from mid-January to mid-February for the survey.

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