

GST Not Likely To Rise Sharply - Ahmad Maslan
Bernama
11 Apr, 2014

KUALA LUMPUR, April 11 (Bernama) -- The Finance Ministry said the goods and services tax (GST) is not expected to rise sharply based on the trend of the sales and service tax (SST), which increased only once since its implementation in 1972.

Deputy Finance Minister Datuk Ahmad Maslan said any increase in GST in the future would have to be debated and passed in Parliament first before being imposed.

He added that based on statistics from 160 countries which implemented the GST, most of them increased it after many decades.

"Other countries took many years to increase the GST by 20 per cent, our country only increased SST once.

"In fact, the rakyat pay SST since 1972 without being aware of it, and now we want to inform them that GST is better," he said at a GST briefing with Kemaman UMNO members here Friday.

Ahmad Maslan acknowledged there would be an increase in the price of goods and services when GST takes affect in April next year, but the price would slowly ease after a few years and would remain low for a long period.

He added this was based on consumer price index (CPI) from many countries including Canada and Australia which showed there was an increase in prices after GST was first introduced there, but the prices slowly dropped soon after.

Malaysia's GST model differs from that used in Singapore or other countries as it also took into account the rakyat's welfare and the country's economic interest.

"For example, a dealer with threshold income lower than RM500,000 will not be required to register for GST, with the exception of sale and purchase of houses and tourist activities," he said.

He said the government started to sent officers overseas to study the GST since 1983.

Even Opposition Leader, Datuk Seri Anwar Ibrahim, when he was in the government, has proposed the tax, he said.

Meanwhile, Ahmad Maslan, who is also Umno Information Chief, said eight Umno members from each of the 165 parliamentary seats in Peninsular Malaysia would help to inform the rakyat on the GST.

He said they would be given a three-day training at the Umno training centre in Janda Baik, Pahang, this month.

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