

## **'Gov't must disclose if MyEG will get cut of GST'**

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**By Aidila Razak**

PAS has demanded details of the RM180 million contract to Umno-linked company MyEG Services Bhd to provide the goods and services tax (GST) software.

In particular, Pokok Sena MP Mahfuz Omar said, the government must disclose if MyEG will get a "percentage" of the GST collected using its software.

If so, then this would be the same model as the Automated Enforcement System (AES) traffic summons system, which has since been shelved.

Mahfuz said all taxes collected should go to the consolidated fund and not be carved out to a third party upon collection.

He also questioned the need to outsource the software and if the government will be locked in a contract to use the software even when it goes obsolete.

"What should have happened was for the Inland Revenue Board to buy the software and train its officers to use it, not to outsource the whole thing to MyEG. Why didn't the Customs Department buy the software and train its officers?" Mahfuz asked at a press conference in the Parliament lobby.

"We don't agree with the GST, but if we really have to do it, we want the entire collection to go to the government."

He added that there has been also no indication that the deal was awarded to the company – helmed by a former Umno elected representative – through open tender.

### **'The poor don't just eat rice with budu'**

Flanked by party colleagues, Mahfuz dismissed the government's claim that the poor were not affected by GST because the items they consume are not taxed.

"It is as if they are saying that the poor only have the right to eat rice with budu (fish sauce), as these items will not be taxed," he said, adding that such thinking demeans the low-income earners.

Mahfuz had raised the MyEG issue when debating the GST Bill yesterday, but it was not addressed by Deputy Finance Minister Ahmad Maslan when winding up on points raised.

MyEG in a Bursa Malaysia filing in February had said it won a RM180 million contract from the Customs Department to undertake the Customs online reporting or electronic monitoring system for GST.

It said the tenure of the project was six years, but financial daily The Edge reported that the deal could be extended.

MyEG is to provide devices and software services to link up point-of-sale terminals and cash registers to the system, to ensure there is no tax evasion.

The Bill was passed by the Dewan Rakyat without amendment, which means that the GST is likely to be introduced as planned on April 1, 2015, at a rate of 6%.

The Bill will have to be passed by the Dewan Negara before gazetted as law with assent of the Yang di-Pertuan Agong.

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