

**GST: Increase In Price Of Goods Is Just A One-off - Customs Director-general
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KUALA LUMPUR, July 13 (Bernama) -- The increase in prices of goods that comes with the enforcement of the Goods and Service Tax on April 15 next year will be a 'one off', said Customs Director-General Datuk Seri Khazali Ahmad.

He said there was no need for the public to worry as the price would stabilise within a year.

"Based on a study, there will be a slight price increase, which is 'one off', of 1.4 to 1.8 per cent, but it will be stable in a year," he told Bernama here recently.

Khazali was met after closing the National GST Conference which was jointly organised by the Malaysian national news Agency (Bernama) and Tax Advisory and Management Services Sdn Bhd (TAMS) last Thursday.

He said that based on a survey conducted by the Customs Department, the people were worried that implementation of GST would change their lifestyle.

"The people should dismiss the perception that GST will change their lifestyle because the Customs Department has done a simulation to test the impact of GST and found that traders have no reason to increase price indiscriminately," he added.

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"This is because traders can claim the six per cent tax, which they have to pay, from the government," he added.

During the Dewan Negara sitting on May 5 this year, Deputy Finance Minister Datuk Ahmad said GST would be imposed on 689 goods - with the price of 73 of these items to go up, while the price of 287 items to go down and 329 items would remain at the same price after the tax.

The implementation of GST was announced by Prime Minister Datuk Seri Najib Tun Razak when tabling Budget 2014. GST will be implemented effective April 1, 2015 at a fixed rate of six per cent to replace the Sales and Services Tax at 16 per cent.

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