

GST moves a step closer for implementation

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The Dewan Rakyat has passed the Goods and Services Tax Bill 2014, paving the way for its reading at the Dewan Negara.

KUALA LUMPUR: The Dewan Rakyat today passed the Goods and Services Tax (GST) Bill 2014 after MPs spent two days debating the controversial tax in the House.

No modifications were made to the bill from the original first reading as it was passed without debate during the third reading at the committee stage.

With the bill passed through the lower house, it is set to be read and passed through the upper house, the Dewan Negara, before finally being gazetted and implemented on April 1 next year.

The bill today passed through the second reading, the policy stage, via block voting proposed by Pakatan MPs. A total of 118 parliamentarians voted in favour of the bill, while 81 voted against it.

When voting, opposition MPs could be seen posing for the live feed cameras and brandishing black anti-GST banners in the House.

Meanwhile the usually stoic Dewan Rakyat Speaker Pandikar Amin Mulia discreetly snapped photos of the MPs with his phone.

After announcing the results, Pandikar Amin told the House that bringing banners into the house was not allowed.

“But I could see that the other side (the BN MPs) were taking photos (of the Pakatan MPs), and not opposing, so I kept patient,” he explained, before proceeding to call for the third and final reading of the bill.

In contrast to the two-day debate on the policy stage, the GST Bill was passed through the committee stage without any debates, with 119 parliamentarians voting in favour of it, and 81 voting against it.

Speaking to reporters later, Sungai Siput MP Dr Michael Jeyakumar explained the reason for no debate at the committee stage was because the opposition MPs had not submitted any proposals.

“The committee stage means we accept the bill in principle, and that we just want to modify some aspects of it. If we don’t accept the bill completely, then how can we debate at the committee stage?” he told reporters.

Klang MP Charles Santiago added: “There was no specific proposal from anybody to modify or change it. So since there’s no specific proposal, there is nothing to discuss.”

The two-day debate on the controversial tax had been punctuated with arguments, shouts and bickering – even in English, as parliamentarians attempted to get their points across to Australian delegates present in the House earlier today.

In his winding up speech, Deputy Finance Minister Ahmad Maslan had stressed that the GST was necessary to restructure the tax system and to lessen the government’s reliance on income tax and petroleum.

“The government is very careful so that there will be no wastage and everything will be best value for money,” he told the House, adding that they had studied the ramifications of the GST thoroughly.

Ahmad also said that GST was a fairer tax than the ones it was replacing, the 10% sales and services tax, as the latter’s “cascading effect” had caused Malaysians to be paying more than they should.

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