

How much of GST will enter MyEG's pocket?

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Mahfuz Omar says the firm is controlled by Umno-linked figures.

KUALA LUMPUR: PAS has demanded that the government reveal details of its goods and services tax (GST) deal with MyEG Services Bhd, including how much of the eventual revenue will end up in the private firm's pocket.

"The GST bill has been passed, but up until today the government has not answered the questions we have raised regarding the financial model used in the agreement with MyEG," PAS information chief Mahfuz Omar said at a press conference today.

MyEG announced to Bursa Malaysia last February that it had accepted the government's offer to undertake the Customs Department's online tax reporting, meaning it would facilitate the eventual roll-out of the GST.

"Why outsource the services to a third party, and what are the details of this RM180 million deal?" Mahfuz asked.

He demanded that the government disclose whether MyEG would get a cut from the GST and thereby deprive public coffers of some tax revenue.

He alleged that Umno-linked figures held positions of power in the firm.

"I am puzzled by the excuses the government gave in hiring MyEG, which shows that the government is not even prepared to implement GST on its own," he said.

He said the Customs Department, instead of hiring MyEG, could have simply purchased the necessary software from the firm and trained its officers to use it.

In its announcement to Bursa Malaysia, MyEG said the value of the project was estimated to be RM180 million. The tenure for the project is six years, beginning April 1.

The firm would provide the device and software services that would link up to the point-of-sale terminals and cash registers.

Referring to the passage of the GST bill through the Dewan Rakyat last night, Mahfuz said the bloc voting indicated that BN MPs were not concerned how poor Malaysians would suffer from the imposition of the tax.

“The excuse BN gave was that there are some products which will not be taxed, but this makes it seem that the poor have rights only to those few products—rice with lime and shrimp paste,” he said.

“The message BN is putting across is that the poor don’t deserve anything more than that because they don’t earn enough.

“This is very unfortunate for the people.”

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