

GST forum turns into war of words between panellists
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By Diyana Ibrahim

A forum to provide clarity on the implementation of the goods and services tax (GST) last night turned into an exchange of words between panellists who accused each other of not understanding the consumption tax and confusing the public.

The situation became tense when Special Affairs Department (Jasa) think tank panellist Lokman Noor Adam criticised PKR secretary-general Rafizi Ramli for "twisting" facts about the GST until it confused the people.

"Rafizi once debated with Pulai MP Datuk Nur Jazlan Mohamed in Malay daily Sinar Harian. He said when we have the sales tax, we don't have to pay the service tax. It is a lie.

"I don't think someone who graduated in accountancy wouldn't understand how GST works. I think he has studied the GST for a long time. Clearly it is a lie," he told an audience of some 1,000 people, made up of members of the public and university students.

The forum "GST – How far its implementation can solve the economic crisis" was organised by the Universiti Malaya Undergraduates Association at the university.

Lokman said Putrajaya's reason to introduce the GST was because the sales and services tax (SST) was causing losses for the government.

This was because the tax was not standardised, unlike the GST which would be fixed at 6%.

In response, Rafizi said Lokman, a former Umno Youth exco member, was the one who did not understand the GST for saying that the new tax worked like the SST.

"Lokman explains the GST like it is a similar tax, and the government will continue repeating that it is not a new tax, just one that replaces the SST?"

"It is not the same," said Rafizi, who was initially not expected to make it to the forum after he was arrested by police yesterday.

Rafizi had gone to the Dang Wangi district police headquarters to lodge a police report about a debt scandal but he was picked up for his involvement in last Saturday's #KitaLawan rally. He was released on police bail at about 8pm last night.

"I was trained to deal with taxes. The difference is SST is only being imposed on one level.

"The GST in other nations is called an added value tax because the concept there,

apart from taxing everything, also includes taxing profit at all levels before the goods and services reach consumers," he said.

Rafizi also corrected some statements by Lokman, including one that accused opposition leader Datuk Seri Anwar Ibrahim of agreeing with the implementation of the GST when he was finance minister in the 1990s.

Lokman had said Anwar was the one who introduced the tax at the beginning.

"I checked the (parliament) hansard. That is not true," Rafizi said.

He said when Malaysia was hit by an economic crisis, former finance minister Tun Daim Zainuddin suggested the GST and the matter was debated in Parliament.

"In 1991, the economy saw a rapid growth. There was not a time when the country saw such encouraging economic growth other than when Anwar was finance minister from 1991 to 1998.

"That was why Anwar told Parliament that although there was a suggestion to introduce the GST then, he decided against it because the economy was booming. That is stated in the 1992 hansard," he said.

Putrajaya is implementing the GST beginning April 1 to help increase revenue for the government. The new tax has been objected by the opposition, which sees it as a burden to the people.

Lokman also hit back at Rafizi after the latter questioned the ability of Putrajaya to implement the GST without leakage, considering that Barisan Nasional leaders, in particular Prime Minister Datuk Seri Najib Razak had been linked to problems like the 1Malaysia Development Berhad scandal.

"I guarantee that the leader of my government is not corrupt. Najib is the cleanest," he said and reminded Rafizi that it was Najib who recruited him into politics.

Also on the panel last night was Universiti Islam Antarabangsa senior lecturer Dr Zaharuddin Abdul Rahman, who is also a Bank Negara consultant and shariah expert.
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