

Unscrupulous Traders Imposing GST Before Its Implementation

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KUALA LUMPUR, March 23 (Bernama) -- Several consumer associations have received at least 10 complaints each against traders in the Klang Valley for imposing the Goods and Services (CBP) before its enforcement on April 1.

Malaysian Muslim Consumers Association executive officer, Mustaffa Hamzah said most of the complaints were against food and service premises, and the Finance Ministry had been notified about them.

"This should not have happened and the traders have marred the government's initiative. They are using the GST as an excuse to raise prices indiscriminately," he said when contacted by BERNAMA.

The GST, at six per cent, replaces the Sales and Services Tax (SST), at 16 per cent from April 1.

Companies imposing the GST before the implementation data can be fined RM30,000 or jailed for two years or both under the GST Act 2014, if convicted.

Mustaffa urged consumers to help contribute to the effectiveness of the GST implementation by informing any consumer association on GST violations.

Malaysian Consumer Protection and Welfare Board president Prof Datuk Seri Dr Saharuddin Awang Yahya said acting on the complaints, the board found that some of the premises were not even eligible to register for the GST as their sales were below RM500,000 a year.

He said only companies with a turnover of RM500,000 and above were required to register for the GST with the Royal Malaysian Customs Department, failing which they would be issued a compound of RM15,000.

Federation of Malaysian Consumers Association vice-president, Siti Rahayu Zakaria urged consumers to check on the receipts that they received upon making payments to ensure that they were not cheated on the GST by unscrupulous traders.

She said businesses that had registered for the GST had to display a certificate from the Customs Department for the benefit of consumers.

The Customs Department had distributed two million copies the GST Price Guide on 500 items nationwide since February and it had also been posted on the Ministry of Domestic Trade, Cooperatives and Consumerism's website at www.kpdnkk.gov.my.

Meanwhile, Royal Malaysian Customs director-general, Datuk Seri Khazali Ahmad said the department would act on complaints made against food and service premises for imposing the GST before its implementation date in accordance with GST Act 2014.

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