

Senate Urge GST Implementation To Be Improved

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From Abdul Muin Majid

KUALA LUMPUR, April 13 (Bernama) -- Issues on the Goods and Services Tax (GST) have attracted the attention of several members of the Senate who feel that GST implementation was capable of strengthening national income and also benefits the people.

In the debate on the motion of thanks to the Royal Address by Yang di-Pertuan Agong at the Dewan Negara sitting here Monday, members of the senate in general, supported the implementation of GST but urged the government to improve its implementation and to give a detailed explanation to the people.

Senator Tan Sri Abdul Rahim Abdul Rahman said, although there were traders who raised the prices of goods which were zero-rated, he was confident the government through the relevant agencies would overcome such problems.

He also proposed the government to review the implementation of GST on real estate transactions involving commercial properties, shop lots, industrial and agricultural properties.

"Unlike other products where the sales and service tax (SST) had been abolished with the implementation of GST, for real estate transaction the tax imposed has not been revoked but added with GST.

"This means that in commercial real estate transactions, tax is nine percent on the sale price and this is rather high and can affect investments in real estate," he said.

He therefore advised the government to review the matter and proposed that the rate on stamp duty payment be reduced for every transaction.

Senator Boon Som Inong, said the people, especially the rural community were confused to find that prices of goods and services were increased following the implementation of the GST.

"Although the GST is said to replace the previous system of SST and prices should go down, what people see is the price of goods had gone up," he said.

He also called on politicians to stop issuing contradictory statements on GST so as not to mislead the people.

Meanwhile, Senator Shahanim Mohd Yusof said, she also noticed that prices of baby diaper products in a supermarket increased after GST was implemented, when the Customs Department had informed that such products would not be taxed.

"I took the initiative to send an SMS to complain to KPDNKK (Domestic Trade, Cooperatives and Consumerism Ministry) but sadly, the SMS was charged, and there was no response (from KPDNKK) informing that the report had been received," she said.

Toh Puan Zaitun Mat Amin proposed that KPDNKK ensured every supermarket displayed the list of prices of goods before and after GST implementation to prevent shoppers from being cheated.

"The implementation of GST is important in strengthening the nation's economy which will benefit the people. Yet, there are still many who do not understand its implementation," she said.

The sitting resumes tomorrow.

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