

**Price Increase Due To Traders Not Claiming Sales Tax On Stock In Hand - Subromaniam
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PUTRAJAYA, April 20 (Bernama) -- The current price increase of goods is partly attributed to traders who are eligible but chose not to make the claims for the Special Sales Tax Refund on stock in hand, said Royal Malaysian Customs Department GST Division director Datuk T. Subromaniam.

He said of the 75,000 eligible traders, only three made the claims which amounted to RM93,837.

Under Section 190 of the Goods and Services Tax (GST), the refund was permitted to avoid double taxation on stock of goods, which subjected to the sales tax of five or 10 per cent.

"Many traders did not want to claim the sales tax refund and that is probably the cause of the current price increase as the they did not remove the sales tax on their existing stock, but instead added on the GST.

"It could also be that they had misinterpreted the law. If they refuse to make the claim, I would say that it is a very unwise move," he told a joint press conference on GST with the Ministry of Domestic Trade, Cooperatives and Consumerism secretary-General Datuk Seri Alias Ahmad here today.

Subromaniam said the Customs Department and the ministry would conduct an audit on the business premises once the stock in hand were sold out to ensure the traders lowered the price of goods.

"The audit will begin next month as some of the stock in hand will be sold in a week or two weeks or even a month, depending on the type of business. For supermarkets, it can be within two or three days," he said.

Subromaniam said the main conditions to be eligible to make the claims were, the trader must be GST-registered, had stock in hand on April 1, 2015 and invoices on purchase were paid within 60 days from the date of GST implementation.

He said only for claims below RM10,000 an audit certificate from any qualified accountant was required, while claims above RM10,000 would require an audit certificate by an auditor approved under the Companies Act 1965.

Claims can be made online at www.gst.com.my.

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