

GST: KPDNKK Issues Seven Show Cause Notices

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PUTRAJAYA, April 1 (Bernama) -- The Domestic Trade, Cooperatives and Consumerism Ministry (KPDNKK) has issued seven show-cause notices to traders and companies following complaints relating to the Goods and Services Tax (GST), which came into force in the country today.

Its secretary-general Datuk Seri Alias Ahmad said the recipients were given three days from today to give their replies.

Of the seven notices, he said four were related to pre-paid reload cards while the others on price tags.

"After the deadline, if found they are in the wrong, they will be booked either under the Anti-Profiteering Act 2011 or Trade Descriptions Act 1972," he told a joint press conference on the GST with Customs Department GST Division director Datuk T.Subromaniam here today.

He said his ministry would recommend that the maximum penalty be imposed on individuals or companies found taking advantage of the situation to indiscriminately hike prices.

The penalties, he said, were a fine up to RM100,000 or three years jail or both for the first offence for individuals while companies could be fined RM500,000 for the first offence and RM1 million for the second.

Elaborating on the matter, Subromaniam said GST could not be imposed for pre-paid reload cards because tax had already been included in the price.

"Before GST, service tax amounting to six per cent is already imposed on each card. With GST (which is also six per cent), there should be no change in the price.

"Letters on this have already been sent out to all telecommunications companies (telcos). However, one or two (telcos) are not heeding this rule. The matter is being investigated by us (the ministry and and Customs Department)," he said.

However, Subromaniam said additional 'talk-time' by consumers were not subject to the condition, meaning the standard GST rate still applied.

Meanwhile, Alias said the ministry's Anti-Profiteering Operations Centre (PGAP) received 419 complaints and queries on GST from 8am to 2pm.

He said 33 per cent was on pre-paid reload cards while price hikes constituted 24 per cent.

"Apart from this, between 8am and 3pm, the MyKira GST application was accessed 10,696 times, and it was found standard rated goods should have been 2,064 and zero-rated 4,774," he said.

MyKira GST, which was launched on Monday, enables consumers to check on the impact of the GST on more than 10,000 goods.

Subromaniam, meanwhile, said the Customs Department received more than 800 complaints and queries on the GST today, with the most popular issue being traders imposing GST but without the 12 digit registration code on the receipt.

"There were also queries on companies with GST registration numbers but customers were not charged GST and when asked, it was found the GST capturing system was not activated," he said.

He added that as of 3 pm, GST compliance operations by the Customs Department and the ministry did checks on 480 companies and it was found 90 per cent were in compliance.

"One good news we received, most traders said their customers did not complain about the GST except for one case of a dissatisfied customer. This shows Malaysians actually accept the GST," he said.

Consumers are advised to ask for a receipt whenever making payments for purchases and check for the GST registration number of the outlet.

Complaints or queries can be directed to PGAP via hotline 1 800 886 800 or the Customs Department hotline at 1 300 888 500.

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