

Selangor Stakes Claim For Bigger Allocation Post-GST
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SHAH ALAM, April 2 (Bernama) -- The Selangor government is staking a claim for a bigger financial allocation should the Goods and Services Tax (GST) implemented yesterday result in additional revenue for the federal government.

Menteri Besar Mohamed Azmin Ali said the bigger allocation was provided for under the Revenue Growth Grants Act.

"The act states that every revenue growth must be channelled to the state government and this right was guaranteed under the Federal Constitution," he said.

He was replying to a supplementary question from Datuk Shamsudin Lias (BN-Sungai Burong) on the state government stand vis-a-vis the allocation from the additional GST revenue collected by the federal government.

The GST, which came into force yesterday, imposes a six per cent tax on standard-rated goods. It replaces the sales tax and service tax that amount to 16 per cent.

The federal government proposes to plough back much of the GST revenue on development and improvement of social infrastructure.

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