

**Communication Providers To Conduct Survey On GST For Reload Values - MCMC
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PUTRAJAYA, April 3 (Bernama) -- A survey will be conducted by communication providers to assess if customers prefer lower reload values on which Goods and Services Tax (GST) would be charged, said Malaysian Communications and Multimedia Commission (MCMC) chairman Datuk Seri Dr Halim Shafie.

For example, a RM10 reload could be RM10.60 (RM10 reload plus six per cent GST added) or RM10.00 (RM9.43 reload plus six per cent GST added), he said.

In a statement Friday, Halim said prepaid reloads were subject to GST and this was in compliance with the GST Act 2014.

The GST came into force in the country Wednesday (April 1). It imposes a six per cent tax on standard-rated goods, and replaces the 10 per cent sales tax and six per cent service tax. Many essential goods are zero-rated.

Halim said MCMC and communication providers Celcom, DiGi, Maxis and U Mobile today clarified issues surrounding GST for prepaid services.

"I have been briefed by the celcos on this matter. From the beginning, communications services have not been included in the list of items which are exempted or zero-rated from GST, which means that consumers will have to pay GST for these services. These include prepaid reloads," he said.

Halim said the value of the reload was identical to the value prior to GST implementation but the only difference was that the GST was added to the reload amount.

According to the four providers, he said, the Customs Department was agreeable to the treatment of GST on prepaid reloads as discussed in a meeting held yesterday between the department and the four players.

However, to ease the burden of consumers as a transitional measure, their customers who reload RM5.00 and above would be given an additional value which was higher than the six per cent GST in the form of free minutes and tax messages, applicable for three months beginning today.

Halim said the industry was working with the Communications and Multimedia Ministry and MCMC to develop more affordable broadband packages for the rakyat.

The was expected to be announced in mid-April, he said.

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