

GST no April Fools' joke, says Ahmad Maslan
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By Hasbullah Awang Chik

The goods and services tax (GST) which takes effect tomorrow is no April Fools' joke by the government, Datuk Ahmad Maslan said today, adding that the tax system was proven to reduce the price of goods.

The deputy finance minister cited the move by hypermarket operator Mydin to absorb the 6% GST, saying it proved he had not lied during Putrajaya's public briefings on the new tax system.

"I want to tell you it is not an April Fools' joke. GST will be implemented.

"All this while, people have derided my ceramah, but when the enforcers and traders say such things, that is the true GST," said Maslan after visiting the Mydin hypermarket in Subang Jaya today.

Ahmad said GST implementation would result in lower prices of goods generally, because the consumption tax would replace the current sales and services tax (SST) which ranges from 5% to 10%.

The final price of goods for consumers should also not include GST if business which register for the GST claim back the 6% tax on their input to goods, he said.

Ahmad added that consumers should find ethical businesses and only buy from them.

Consumers should use their collective power to ensure that prices are kept reasonable, he said.

Separately, Deputy Finance Minister Datuk Chua Tee Yong told reporters in Parliament that it would take about six months for all parties to adjust to GST implementation.

The consumption tax will be imposed on a wide range of goods, with exemptions on public transportation and healthcare. However, the lack of clarity in enforcing GST in the private healthcare industry may still see higher cost of treatment in this sector, while there is also confusion as to which medicines exactly can be considered exempt.
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