

## **MCMC, Customs To Ensure GST On Prepaid Cards Within 6 Months**

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KUALA LUMPUR, May 16 (Bernama) -- The Malaysian Communications and Multimedia Commission (MCMC) and the Royal Malaysian Customs will ensure the imposition of the Goods and Services Tax (GST) based on the use of prepaid mobile services be implemented within six months.

MCMC chairman Datuk Seri Dr Halim Shafie said MCMC and the Customs would also ensure that all telecommunication companies would comply with the government directive to implement the rule decided at a cabinet meeting recently.

"In addition, auditing will also be conducted to ensure the accuracy of the GST deduction based on the value of the credit that has been used," he said in a statement here Saturday.

On Wednesday, Communication and Multimedia Minister Datuk Seri Ahmad Shabery Cheek said the cabinet had agreed that prepaid mobile users would get RM10 credit when they pay RM10 for mobile reloads, with GST charges imposed based on prepaid mobile usage.

The move was seen as more appropriate as the government would not impose tax before the service was used, he said.

Halim said, MCMC would also consider Ahmad Shabery's call prompting telcos to offer affordable packages to specific target groups such as students.

Meanwhile, director-general of Customs Datuk Seri Khazali Ahmad said he would intensify monitoring of the GST conversion process to ensure smooth implementation based on usage of prepaid top-ups.

He said currently, the imposition of the GST on prepaid reload would continue according to the existing method until the system 'buy RM10 get RM10' is implemented.

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