

Returning Mobile Prepaid Reloads To Their Original Prices Impossible To Implement By May 1

- Ahmad Shabery

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PULAU TIOMAN, April 30 (Bernama) -- The process to return mobile prepaid reload values to their original prices cannot be done by tomorrow as it involves technical issues, said Communications and Multimedia Minister Datuk Seri Ahmad Shabery Cheek.

He said telcos needed to configure their systems and software nationwide, and it would take some time to implement.

"Prepaid reloads also involve payments made through banks and electronic payment methods besides involving as many as 30,000 agents across the country." "... a change in software and systems needs to be done to ensure that it runs smoothly," he told reporters after launching a 1Malaysia Internet Centre (PI1M) in Kampung Tekek here Thursday.

Also present were Defence Minister Datuk Seri Hishammuddin Tun Hussein and Tioman assemblyman Datuk Mohd Johari Hussain.

This is the eighth Internet centre opened in the Rompin constituency, with the others located in Bandar Muadzam Shah, FELDA Selancar 5, FELDA Keratong 10, FELDA Keratong 2 and Kampung Pianggu.

Ahmad Shabery said the Malaysian Communications and Multimedia Commission (MCMC) and the Customs Department had previously reached an agreement to carry out a survey to get feedback from users on the implementation of GST on mobile prepaid reloads.

"For example, if a user buys a prepaid reload card worth RM10, we want to see whether the user is comfortable with the payment of 60 sen for the six per cent GST, or they want to buy it at RM10 but only be provided with airtime credit of RM9.43," he said.

He said the study should be completed by this week and would be presented at the next cabinet meeting.

He said, however, the Malaysian Communications and Multimedia Commission (MCMC) was ready to implement the prices of mobile prepaid reloads with the 'tax-inclusive' concept as soon as possible if Customs had a way to overcome the technical problems.

In the meantime, he said, prepaid reloads would still be subject to GST as there were no rules to exempt it.

"I'm concerned that there is a confusion among the people that prepaid reloads are not subject to GST, that is not possible because it was not declared as a zero rated item and I understand that it will not happen (to be tax exempt)," he said.

Customs director-general Datuk Khazali Ahmad was earlier reported as saying that prepaid reload cards would be priced the same as before, with the 'tax-inclusive' concept, beginning May 1.

This meant that, if the prepaid card was worth RM10, the user would pay RM10 beginning May 1, he said.

Meanwhile, Ahmad Shabery said more than 96 per cent of populated areas around the country had 2G coverage while more than 80 per cent enjoyed the convenience of 3G, and 32 places, especially in urban areas had started receiving 4G services.

He said the Barisan Nasional (BN) government would always continue to improve people's access to the Internet by providing telecommunication infrastructure in all populated areas.

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