

No response from PM over GST on government spending, says Penang CM
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Penang Chief Minister Lim Guan Eng today insisted that he did not lie about the Penang government's expenditures being subjected to the new goods and services tax (GST), forcing it to pay millions of ringgit in taxes this year.

The Bagan MP said Penang had written to Datuk Seri Najib Razak, requesting that government projects and services be exempted from GST, but the prime minister had yet to reply.

Lim said that he was not alone in complaining about the matter. He noted that the Johor Sultan had also said it was illogical to impose GST on government services, while Johor Menteri Besar Datuk Mohamed Khaled Nordin had announced he was seeking exemption from the Customs Department and the federal government.

"The Sultan directed the state government and local councils to seek exemption from the federal government for (GST) on their services to the public," said Lim in a statement.

"The Penang state government had written to the prime minister seeking exemption from paying GST, as we are not business entities making a profit.

"It is ridiculous that state government building roads, drains, halls or works for public benefit has to pay 6% GST.

Lim said Barisan Penang chairman Teng Chng Yeow should apologise for denying that government services were subjected to GST, and for claiming that the chief minister was making false statements over the matter.

Teng had said this when campaigning for the Permatang Pauh by-election, and had accused Lim of trying to mislead the people.

"By trying to win the Permatang Pauh by-election with such dirty tactics, it is clear that BN and Umno have not only lost in the by-election but also lost their honour and dignity," said Lim. – May 10, 2015.

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