

Anwar: Abolish GST that persecutes the poor
Free Malaysia Today
April 1, 2017

Former opposition leader says collection from GST will go to waste if leakages in government spending are not tackled.

PETALING JAYA: Anwar Ibrahim today labelled the goods and services tax (GST) – implemented on this date two years ago – a regressive tax that only benefited the rich and persecuted the poor.

In a statement, the former finance minister also said the GST, which replaced the sales and services taxes, only widened the gap between the rich and poor.

He added there was little significance in increasing revenue generated by GST when salaries remained stagnant.

In January last year, Prime Minister Najib Razak announced that money collected from the GST was over RM50 billion.

“GST is meaningless if over 10% of the youths are jobless and RM100 cannot buy much,” he said, adding that Putrajaya’s revenue was on the decline due to the current price of crude oil.

Anwar, who is currently serving a five-year prison sentence for sodomy, went on to slam the corruption that plagued the country as well as the continued wastage and leakages from government projects.

He said if nothing was done to improve how the country was run, there was little hope the revenue collected from GST would be put to good use.

“Put an end to the excessive spending and leakages identified in the yearly audit reports as well as the practice of bidding for projects without tenders.”

He then urged that the GST be abolished and wanted a more progressive tax system to be implemented.

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Source: <http://www.freemalaysiatoday.com/category/nation/2017/04/01/anwar-abolish-gst-that-persecutes-the-poor/>