

Najib: Opposition promise to abolish GST not based on reality
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Prime Minister Najib Razak says many government services will have to stop without RM50 billion revenue from consumption tax.

PETALING JAYA: Prime Minister Najib Razak says the opposition's promise of wanting to do away with the GST was based on political expediency and not reality, the Sun reported.

He was responding to comments from Pakatan Harapan leaders, PKR vice-president Nurul Izzah Anwar and DAP secretary-general Lim Guan Eng, recently that the opposition coalition will "zero-rate" the GST if they win the next general election and take over Putrajaya.

"They can say whatever they like as long as what they said pleases those hearing it.

"Only when they come to power will they realise that running the country is not as easy as what they had thought earlier when they were contesting in the election," the prime minister told the media at the Putra World Trade Centre last night, after he chaired the Umno Supreme Council meeting.

Najib added that a strong source of revenue was important for the government, accusing the opposition of not telling the truth on the need for the GST.

"Their calculation is political in nature and not based on reality," he was quoted as saying by the daily.

Yesterday, Lim reiterated that all parties in Pakatan Harapan were unanimous on the decision to get rid of the GST if they were to form a new government.

"I have said this many times. We are going zero-rated. Even Nurul had explained we are going zero-rated once we take over.

"I don't know why Barisan Nasional does not understand 'ilmu hisab' (mathematics). Don't tell me they do not know what zero means?" Lim said at a press conference in Komtar yesterday.

Lim explained that since the current GST system had already been implemented and businesses had spent a lot to implement the taxation system, it would be best to set the GST at "zero", from the current 6%.

“Therefore, abolishing the GST is the same as switching the GST to zero-rated,” the Penang chief minister said.

However, the prime minister explained that many government services will have to cease if the GST is removed, due to the loss of revenue amounting to more than RM50 billion from the consumption tax.

“If we deduct RM50 billion from the budget, the government cannot function. Many of the services to the rakyat will have to stop.

“Imagine deducting RM50 billion from our current budget to RM210 billion. It will not be enough,” he was quoted as saying, adding that civil servants might not be able to get the allowances they are receiving currently.

According to theSun, Najib called out the opposition on its promise, saying they knew they could say anything to try and please voters because “they are not obliged to fulfil them”.

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