

Decision on tourism tax this Thursday, says Sarawak CM
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Abang Johari Tun Openg to brief his cabinet on outcome of meeting with Prime Minister Najib Razak, but leaves no clues as to outcome.

PETALING JAYA: The Sarawak state cabinet will decide on the tourism tax on June 22, says Chief Minister Abang Johari Tun Openg, the Borneo Post reported.

The new tax, which had caused some controversy earlier this month pitting state Barisan Nasional (BN) leaders against the Federal government, is due to be implemented from July 1.

Abang Johari told reporters that the announcement will be made after he discusses with the state cabinet the outcome of his recent meeting with Prime Minister Najib Razak on the matter.

"I met with the prime minister and I will brief the Cabinet on the 22nd," he was quoted as saying.

The Tourism Tax Act 2017 was passed in the Dewan Rakyat on April 6. With the tourism tax, both locals and foreigners will have to pay a levy to operators, on a per room and per night basis.

The tax for non-rated hotels will be RM2.50, while the tax for two-star ones is RM5, three-star RM10, four-star RM15 and five-star RM20.

Tourism and Culture Minister Mohamed Nazri Aziz told the Dewan Rakyat at the time that revenue from the tax would be in the region of RM654.62 million if the overall occupancy rate for the 11 million "room nights" in the country could achieve 60%

Following some criticism from Sarawak Tourism, Arts, Culture, Youth and Sports Minister Abdul Karim Rahman Hamzah over the jurisdiction of the tax under the federal government on hotels in the state, Nazri had retorted accusing Karim of being inexperienced.

"Learn to be a minister before you open your mouth and remember that in politics you shouldn't talk so big. If you think you're a gangster, there are bigger gangsters than you," Nazri had said.

Subsequently, various Sarawak and Sabah ministers in the Federal Cabinet had also rebuked Nazri for his reaction. The Sarawak government and other groups in the state also came to the defence of their minister, citing the terms of the Malaysia Agreement 1963, in which tourism was meant to be independently managed by the state.

However, Deputy Prime Minister Ahmad Zahid Hamidi said last Friday that the issue had been resolved.

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