

Langkawi Tourism Association objects to tourism tax
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The association says it sees foresees a drop of up to 20% in domestic tourist hotel occupancy on the resort island with the imposition of the tourism tax on July 1.

LANGKAWI: The Langkawi Tourism Association foresees a drop of up to 20% in domestic tourist hotel occupancy on the resort island with the imposition of the tourism tax on July 1.

LTA chief executive officer Zainudin Kadir said the forecast was based on the fact that the tourists were expected to fork out more in order to secure accommodation on the island which implemented a tourism promotion fee in July last year.

“I strongly object to the implementation of the tourism tax now as it would not be suitable to promote the industry under the current economic situation,” he told Bernama.

The Tourism Tax Act 2017 comes into force on July 1 following the passing of the bill in Parliament last April.

Under the Act, guests are required to pay a tax ranging from RM2.50 to RM20 per night depending on the rating of the hotel.

Zainudin said that unlike the tourism promotion fee which had to be paid to the Langkawi Tourism City Municipal Council (MPLBP), the tourism tax imposed by the Federal Government had not been explained thoroughly to the industry players.

“MPLBP had explained to us that the tourism promotion fee collections had been used for cleanliness maintenance on the resort island. But, so far, there is no explanation of the purpose of the tourism tax,” he said.

He said that just because other countries imposed a tourism tax was no justification for Malaysia to impose a similar tax as he claimed that the other countries enjoyed a thriving tourism industry without having to rely on such taxes.

“We don’t have to go far but to look at Thailand or Vietnam where their tourism industries are faring well and, hopefully, we will not be losing tourists to them because of the many taxes that need to be paid,” he said.

He said LTA planned to submit a memorandum each to Prime Minister Najib Razak and Tourism and Culture Minister Mohamed Nazri Abdul Aziz to express their objection to the tax.

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