

In 'Shariah-based' shadow budget, PAS Youth moots taxing the rich

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KUALA LUMPUR, Oct 26 — PAS Youth has proposed a “luxury tax” for the rich while the Goods and Services Tax (GST) will be phased out in three years, in its “Shariah-based” shadow budget for 2018 presented today.

The Islamist party wing also planned to charge a 10 per cent tax on “luxury items”, and keep financial aid such as the 1Malaysia People’s Aid (BR1M) and the e-Kasih poverty data bank.

“There are various problems happening in our country that can no longer be hidden. These problems are caused mainly because we have turned our backs to Allah’s guidance,” wing chief Muhammad Khalil Abdul Hadi told the media.

“PAS as an Islamic party that puts the Quran and Sunnah as its main reference, we must self-reflect over all the problems that are happening today.”

PAS Youth said its shadow budget themed “development for sustainability of future generation” is a Shariah-based one, with religion as one of its five main points: to build a society that “adheres to their respective religious teachings with a high tolerance attitude”.

The budget aims for a total of RM215 billion of government revenue, RM125 billion of which comes from direct tax, RM50 billion from indirect tax, and the rest from non-tax revenue.

It proposed for the GST to be waived within three years owing to legal implications, during which it will be zero-rated until it is completely repealed.

The wing planned to spend RM257 billion, leading to a fiscal deficit of RM42 billion.

Among others, it aimed to reward support staff in the civil service with a bonus of one-and-a-half month's wage, one-month bonus for management posts, and just half-month bonus for top management.

It also plans to introduce a special allowance for full-time housewives of government employees, whose children are below 18 years-old, or are still studying in higher education institutions.

The shadow budget also planned to regulate house ownership by raising the Real Property Gains Tax up to a whopping 80 per cent, up from the maximum 30 per cent at the moment.

Ownership of residential properties in "major cities" will also be restricted to a maximum of two units for individuals and companies — additional purchases are allowed if the previously owned units are disposed.

The shadow budget was drafted by the wing's Institute for Policy Studies.

Prime Minister Datuk Seri Najib Razak will table the ruling coalition's Budget 2018 tomorrow. Opposition pact Pakatan Harapan also released its alternative budget yesterday.

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