



Tourism tax necessary to expand Malaysia's revenue base - Abdul Rahman

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KUALA LUMPUR: The Tourism Tax Bill 2017, which comes into force on July 1, is necessary as it will help expand Malaysia's revenue base, said Minister in the Prime Minister's Department, Datuk Seri Abdul Rahman Dahlan.

He said the introduction was timely as the industry had been experiencing budget cuts due to falling revenue.

"I personally believe it is a good tax and will not burden the people," he told reporters after launching the World Bank report, "Malaysia Economic Monitor", here today.

The government recently announced that proceeds from the tax would be used to promote Malaysia overseas and refurbish tourism facilities.

The bill, passed during the last parliamentary, would see the imposition of tax rates of between RM2.50 and RM20 for overnight stays at registered hotels and inns.

"This had been decided in the cabinet, as pointed by the Minister of Tourism and Culture Datuk Seri Mohamed Nazri Abdul Aziz.

"The thing is, what was passed in the parliament was not articulated clearly to the state government, and Datuk Abdul Karim Rahman Hamzah, who is in charge of Sarawak tourism, wanted to know more about it and give his opinion, and I don't think there is an issue with that," he said.

Meanwhile, Sabah Tourism, Culture and Environment Minister, Datuk Seri Masidi Manjun, was reported as saying that Sabah would be discussing the implementation of the tax during the state cabinet meeting next week.

On another note, Abdul Rahman said, the government had begun working on several initiatives to produce data and statistics to meet the policy requirements of the Eleventh Malaysia Plan.

"We are reviewing the country's statistical system, together with the World Bank Group Global Knowledge and Research Hub," he said, adding that the Malaysian data collection was moving rapidly, and the country was now able to capitalise on the available data.

"We need a legal framework, and the Department of Statistics has been tasked to identify the challenges so that we could share the data among the government agencies and the private sector," he added. -- BERNAMA