

Deferment will help: MEF

> **Employers say several grey areas in GST need to be addressed**

BY **AIEZAT FADZELL** AND **ASHWIN KUMAR**
newsdesk@thesundaily.com

PETALING JAYA: The Malaysian Employers Federation (MEF) has said that there are several grey areas that need to be addressed in the Goods and Services Tax (GST) to be implemented on April 1.

MEF said that its registered employers are of the opinion that deferment could help address the grey areas faced by them.

MEF executive director Datuk Shamsuddin Bardan said: "It's better to get everything in place before the implementation so as to avoid employers having to face penalties on the new tax system.

"The several grey areas would be the items being both subject and exempted from GST, the pricing issues and claiming process.

"For instance, if a food business purchases raw materials and processed food, then the owner must know which items to be taxed," he said.

He also said that some traders will sell taxable items to their clients and not charge them GST by absorbing it.

Emphasising the need for proper and clearer implementation of the system, he said not all employers are ready for it as they are still uncertain as to the requirements and whether they fall under the registration category.

"The small businesses are the ones who are in a real dilemma," he told *theSun*.

Shamsuddin said there is a lot of anxiety, apprehension and tension among employers with them being uncertain about the price coding for products.

"Obviously this kind of situation is not comforting. I personally feel employers should be better prepared for the GST rather than being half-prepared."