The Star - No Plans For New Tax Measures In Budget 2020, Guan Eng Says

Wednesday, Aug 07 2019


**KUALA LUMPUR, 5 AUGUST** -There will be no new tax measures in the upcoming 2020 Budget 2020, said Finance Minister, Lim Guan Eng.

"Unlikely any new tax measures shall be implemented (in the 2020 Budget), we will want to implement it early (of the year) not in the middle (of the year)," Lim told reporters, here on Monday.

He said this after officiating the National Tax Conference 2019 (NTC 2019), which was jointly organised by the Inland Revenue Board and Chartered Tax Institute of Malaysia with the theme 'Economic Prosperity and Taxation', here.

The 2020 Budget is scheduled to be tabled in Parliament on Oct 11 this year.

On China's move to let the Yuan tumbled against the US dollar in the wake of its trade dispute with the US, Lim said this would somehow affect Malaysia.

"Definitely, there will be some impact, because you cannot deny (that) the action of one of our main trading partners would also have some spillover effects on Malaysia whether it's the US or China. And China is our largest trading partner.

"This is where in the budget we are going to have contingency measures in the event that the trade dispute escalates or worsens. Definitely, there would be (a) contingency package to try to as much as possible insulate Malaysia from any adverse impact from this trade dispute," he said.

However, there was another line of thought that this dispute could be resolved by year-end, he said, adding that, "We should opt for a wait-and-see approach."

"We have to wait and see (the trade dispute resolving). I think definitely we need to have some sort of contingency (plan)," he said.

Earlier in his speech, Lim said the country’s economic growth was performing well on target, based on the current economic performance.

However, Lim, who is also DAP secretary-general, said to keep the country on the current course, it needs to have political stability.

"Actually, Malaysia's political situation is stable and no political uncertainty should happen, as we are a government that keeps promises and this has been repeatedly stated by the Prime Minister (Tun Dr Mahathir Mohamad) that he is a person who keeps his promise.

"Likewise, the Pakatan Harapan government will endeavour to carry out the promises that we have made," he said.

Lim reiterated the Malaysian economy is showing signs of resilience amid difficult external challenges arising from the US-China trade dispute with the World Bank projecting the country’s gross domestic product to record 4.6 per cent this year. - Bernama