

Guan Eng: Govt's move to investigate past years' taxes will affect investors' trust

Monday, 08 Mar 2021 02:45 PM MYT
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DAP Secretary General Lim Guan Eng speaks to the press at a press conference in Wisma DAP, George Town March 8, 2021. — Picture by Sayuti Zainudin

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GEORGE TOWN, March 8 — DAP's Lim Guan Eng is calling on Putrajaya not to go back on a policy he introduced when he was Finance Minister giving taxpayers amnesty if they voluntarily declared their taxes.

He claimed that the current administration is now going against that policy by investigating some of the taxpayers' accounts and demanding for their account records that stretched to the past six years.

“This will erode the trust of the people and also greatly affect the trust and confidence of investors,” he said.

The Bagan MP said the special policy introduced by the former Pakatan Harapan (PH) government had encouraged taxpayers to voluntarily declare their taxes and that if they did so, audit or investigations will not be conducted on their income from 2018 onwards.

“This was clearly stated in the official Inland Revenue Board letter to taxpayers on the voluntary tax declaration programme so it has legal standing,” he said in a press conference at the Penang DAP headquarters.

He said the voluntary tax declaration programme was introduced to reduce the penalty from 300 per cent to between 10 and 15 per cent and to allow taxpayers to submit their tax declarations without aggressive or investigative actions being taken against them.

“I read in *Sin Chew* front page today by an association that claims that the government is now asking some of those who took part in that programme to furnish their accounts for the past six years,” he said.

He said this is a “U-turn” from the policy introduced by the PH government and it will only erode the people’s confidence and trust in the current administration.

“This impose extra burden on the people especially at this time when the government should be helping the people, not punishing them,” he said.

He clarified that the programme that states the amnesty was given in “good faith” only in reference to those who had declared their income made illegally from activities such as drugs, prostitution and illegal gambling.

“The official letter of the programme was given in good faith does not mean it legitimise illegal and criminal activities,” he said.

He called on the government not to continue taking actions or conduct investigations against taxpayers who had signed up for the programme.

He said it is not the right time especially when almost all businesses are affected by the Covid-19 pandemic.