



**A STUDY ON PERCEPTION AND ACCEPTANCE ON THE GOODS SERVICE TAX  
(GST) IMPLEMENTATION AMONG STAFFS OF KEMENTERIAN  
PERDANGANGAN DALAM NEGERI, KOPERASI DAN KEPENGGUNAAN  
(KPDNKK), KUCHING SARAWAK**

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## INTRODUCTIONS

This research paper would be related with my training place which is Kementerian Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan Sarawak (KPDNKK). The research paper will cover their perceptions acceptance on the Goods and Services Tax implementation which be held soon.

The organization is powered by 79 staffs in total for the Kuching branch and around 170 staffs for the Sarawak regions. In the Sarawak region the KPDNKK had their branch at places like Kuching itself, Sri Aman, Betong, Sarikei, Sibul, Bintulu, Kapit and Miri.

The organization aimed to increase their enforcement power to do the fieldwork. This enforcement would help them to restrict their actions and effectiveness to stop any unhealthy activity which done by retailers, retailers and including the consumers. By this all parties right can be properly protected by the regulation and law which had been enforced by the government.

## **BACKGROUND**

I was doing my internship at Kementerian Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan, Kuching (KPDNKK) since January until June. I'm choosing KPDNKK as my place to do my internship because their office is quite near to my house and easy for me to come and meet my advisor regarding with this thesis that I'm doing for my final semester.

Back then, KPDNKK was established on the 27<sup>th</sup> October 1990 and responsible in promoting the growth of ethical domestic trade and been protecting consumer interest since then. But their function had been extended since 2009, whereby they also cover the franchise and cooperative sectors.

The ministry consist of five Strategic Trusts which is listed as below:

- I. Enhance contribution of domestic trade sector toward domestic product.
- II. To create competent consumer society and ethical business practices.
- III. To nurture innovation based economy by virtue of effective legal system.
- IV. Help to enhance societal well-being.
- V. Aim for excellent organization.

Regarding with the Goods and Services Tax (GST) implementation, KPDNKK doing a close collaborations with Malaysia Custom especially in monitoring and enforced the implementations of the GST in Malaysia which had been implemented on 1<sup>st</sup> April 2015.

## LITERATURE REVIEW

GST is a synonym for the Value Added Tax (VAT) which had been implemented over 160 countries overseas. (Fatt, 2006) The idea of implementing GST had been issued since 1989. (Tam, 2013) Due to some difficulty and long discussion the implementation kept on delayed. Malaysian Second Finance Minister, Datuk Seri Ahmad Husni Hanadzlah said the implementation of the new GST were based on the agreement with the JKDM and alternatives were taken in various way to ensure the business ready to face the GST. (Othman, 2015)

Basically GST implemented to help the middle income level society in Malaysia to upgrade their daily living life as for some product price were cut with the implementation of the GST. There is a few advantages of this GST. Firstly is to increase the society living life through the country annual income from the GST in order to give better development in the future. Secondly is to increase the competency of our country in the global. Next is to come with a better taxation system which is more effective compared to the old tax system. Fourth is to standardize the price of goods in the market as some product might be sold cheaper in the market with this new tax system.

GST had been implemented in others country and we are adopting the system based on the country that had been implemented them. The first country to implement GST is France in 1950. Up to December 2014, a total of 169 countries from 193 countries in the world had implemented this GST. Table below show the country that implemented GST and their rate.