

ABSTRACT

Goods and Services Tax (GST) or also known as Value Added Tax (VAT) has been implemented in 160 countries. In Malaysia, the implementation of GST is to replace the Sales and Services Tax which has been used by the country for years. The similarity of GST and Sales and Services Tax is they are a form of indirect tax since the Government cannot directly collect the taxable amount from individuals. The tax amount is recovered by the Government through sellers which is collectable during sales transaction. With the implementation of GST, the Government hopes to collect more proceeds to increase its national revenue and reduce the country's debt. However, since the implementation of GST, the Government has been receiving numerous responses from the public who are still in doubt whether its implementation will be able to achieve the objectives as set out by the Government. The purpose of this study is to identify whether the Government has carried out a thorough analysis and survey before implementing GST. Also, whether GST is based on adoption basis and whether Government agencies such as Kementerian Perdagangan Dalam Negeri Koperasi Dan Kepenggunaan (KPDNKK), Royal Malaysian Customs Department (RMCD) and Department of Information are ready to accept with support the GST system in Malaysia. The findings of the research show that the Government has not done any detailed study regarding the implementation of GST. This study used information on GST implementation and planning strategies of various countries such as Singapore, New Zealand, Canada and India as comparison. This study found that these countries have conducted a thorough study and research before implementing GST in their countries. In addition, these countries have taken several initiatives to receive tremendous support from their citizens. The recommendation of this study is that more research should be carried out so that further improvement could be made to the existing GST system in the country.

ACKNOWLEDGEMENTS

First of all I would like to thank the God Almighty upon His outpouring of blessings for granting me wisdom and health to complete my research proposal and at the same time for taking care of me during my two-year study journey in UiTM as a part-time student.

To my ever hard-working and very knowledgeable supervisor, Dr Hajah Zuraidah Zaaba, for without her share of guidance, feedback and knowledge with me, I would never be able to complete my dissertation as part of my course requirement.

To my beloved husband, Jelius, my children, Darren and Darcy Elvira, also to my superior, relatives and friends, my sincere appreciation goes to all of you for your kind support, morally and spiritually rendered to me. It was very meaningful and uplifting as I walk along my study journey. It gives me courage and strength to fight until I manage to complete my studies at UiTM Sabah.

Last but not least, I would also like to record my sincere appreciation to the officers from KPDNKK, Royal Malaysian Customs Department and Department of Information for their willingness to be interviewed. Their valuable input and information have contributed a lot to the completion of the research.

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