



MALAYSIA

LAPORAN PROSIDING

**MESYUARAT JAWATANKUASA
KIRA-KIRA WANG NEGARA (PAC)**

Mengenai:

**Tuntutan Tunggakan Bayaran Cukai Barang dan
Perkhidmatan (GST) Berjumlah RM19.4 Bilion**

Kementerian Kewangan Malaysia (MoF):-

- i. Ketua Setiausaha Perbendaharaan,
Yang Berbahagia Datuk Ahmad Badri
bin Mohd Zahir
- ii. Mantan Ketua Setiausaha
Perbendaharaan,
Yang Berbahagia Tan Sri Dr. Mohd Irwan
Serigar bin Abdullah

**PARLIMEN KEEMPAT BELAS
PENGAL PERTAMA**

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BILIK MESYUARAT JAWATANKUASA 1, TINGKAT 2 BLOK UTAMA
BANGUNAN PARLIMEN, PARLIMEN MALAYSIA
SELASA, 23 OKTOBER 2018**

AHLI-AHLI JAWATANKUASA

Hadir

YB. Datuk Seri Dr. Ronald Kiandee [Beluran]	- <i>Pengerusi</i>
YB. Tuan Wong Kah Woh [Ipoh Timur]	- <i>Timbalan Pengerusi</i>
YB. Tuan Wong Chen [Subang]	
YB. Tuan Haji Akmal Nasrullah bin Mohd Nasir [Johor Bahru]	
YB. Tuan Steven Choong Shiau Yoon [Tebrau]	
YB. Tuan Wong Hon Wai [Bukit Bendera]	
YB. Puan Wong Shu Qi [Kluang]	
YB. Tuan Muslimin bin Yahaya [Sungai Besar]	
YB. Datuk Seri Haji Ahmad bin Haji Hamzah [Jasin]	
YB. Dato' Takiyuddin bin Hassan [Kota Bharu]	
YB. Tuan Robert Lawson Chuat [Betong]	
YBhg. Datuk Roosme binti Hamzah	- <i>Setiausaha</i>

Tidak Hadir [*Dengan Maaf*]

YB. Tuan Willie anak Mongin [Puncak Borneo]
YB. Ustaz Haji Hasanuddin bin Mohd Yunus [Hulu Langat]
YB. Dato' Sri Hasan bin Arifin [Rompin]

URUS SETIA

Encik Ahmad Johan bin Mohd Afandi [Ketua Sekretariat Jawatankuasa Kira-kira Wang Negara, Parlimen Malaysia]
Puan Siti Noor Akmar binti Zulkafli [Juruaudit Jawatankuasa Kira-kira Wang Negara, Parlimen Malaysia]
Encik Rosli bin Aw Ahmad [Juruaudit Jawatankuasa Kira-kira Wang Negara, Parlimen Malaysia]
Puan Lee Jing Jing [Jurubahasa Serentak Kanan I Seksyen Jurubahasa dan Terjemahan (Pengurusan Dewan Rakyat), Parlimen Malaysia]

samb/-

HADIR BERSAMA**Jabatan Audit Negara**

YBhg. Dato' Haji Che Isa bin Che Kob [Timbalan Ketua Audit Negara (Kewangan)]
Tuan Haji Khalid Khan bin Abdullah Khan [Timbalan Ketua Audit Negara (Prestasi)]
Cik Raftah binti Ibrahim [Timbalan Pengarah Audit 1 (Kewangan)]
Encik Haslim Eairon bin Mat [Penasihat Perkastaman (Kewangan)]
Encik Mohd Faez bin Mohd Fauzi [Penolong Pengarah Audit (Kewangan)]
Encik Anuar Sidik bin Nordin [Ketua Seksyen Audit (Prestasi)]

Jabatan Peguam Negara

YBhg. Datuk Amirudin bin Abd. Rahman [Timbalan Ketua Bahagian Penasihat (Munisipal) I]
Encik Mohd Farid Huzaimi bin Mohd Baderudin [Peguam Persekutuan]

Jabatan Perkhidmatan Awam (JPA)

Puan Noor Aini binti Ahmad [Timbalan Pengarah Kanan (Unit Laporan Ketua Audit Negara dan Operasi Khas) (Perkhidmatan)]

Unit Perancang Ekonomi (UPE)

Puan Noraini binti Ahmad [Timbalan Pengarah I (Akaun Negara dan Model Ekonomi) (Seksyen Ekonomi Makro)]

Kementerian Kewangan Malaysia (MOF)

Encik Azize bin Taib [Ketua Seksyen Parlimen & Kabinet]
Puan Azreen binti Awang [Ketua Penolong Setiausaha (Seksyen Parlimen & Kabinet)]
Encik Mohammad Adam Danial bin Hafiz Goh [Penolong Setiausaha (KP)]

Jabatan Akauntan Negara

Tuan Haji Ramli bin Chik [Pengarah (Bahagian Perkhidmatan Operasi Pusat dan Agensi)]

Suruhanjaya Pencegahan Rasuah (SPRM)

YBhg. Dato' Junipah binti Wandu [Pengarah (Pengurusan Integriti Agensi)]

SAKSI**Kementerian Kewangan Malaysia (MOF)**

YBhg. Tan Sri Dr. Mohd Irwan Serigar bin Abdullah [Mantan Ketua Setiausaha Perbendaharaan]
Encik Ezleezan bin Othman [Ketua Seksyen Bahagian Cukai (Dasar dan Pelaksanaan GST)]

LAPORAN PROSIDING

MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA PARLIMEN KEEMPAT BELAS, PENGGAL PERTAMA

Selasa, 23 Oktober 2018

Bilik Jawatankuasa 1, Tingkat 2 Blok Utama, Parlimen Malaysia, Kuala Lumpur

Mesyuarat dimulakan pada pukul 11.04 pagi

[Yang Berhormat Datuk Seri Dr. Ronald Kiandee *mempengerusikan Mesyuarat*]

Tuan Pengerusi: Ya, kita mulakan prosiding ini. Saya melihat kuorum cukup untuk memulakan mesyuarat prosiding. Selamat pagi dan salam sejahtera kepada Yang Berhormat Timbalan Pengerusi PAC dan semua Ahli-ahli PAC; Yang Berbahagia Datuk Roosme binti Hamzah, Setiausaha PAC yang juga merupakan Setiausaha Dewan Rakyat. Terima kasih kepada semua yang hadir. Selamat datang juga diucapkan kepada pegawai-pegawai *ex officio* PAC yang terdiri daripada Kementerian Kewangan, Jabatan Perkhidmatan Awam, Jabatan Peguam Negara, Suruhanjaya Pencegahan Rasuah Malaysia, Jabatan Audit Negara, Jabatan Akauntan Negara dan Unit Perancang Ekonomi.

Ahli-ahli Yang Berhormat dan ahli-ahli *ex officio*, hari ini merupakan kesinambungan kepada prosiding GST *refund* yang berjumlah RM19.4 bilion. Di hadapan kita adalah Tan Sri Dr. Mohd Irwan Serigar bin Abdullah, mantan Ketua Setiausaha Perbendaharaan. Selamat datang Tan Sri untuk kali yang kedua dan terima kasih banyak-banyak kerana sudi hadir untuk kali kedua ini. Ya, tanpa melengahkan masa saya teruskan dengan mesyuarat hari ini dan saya mempersilakan Ahli-ahli PAC yang mempunyai pertanyaan-pertanyaan lanjutan kepada Tan Sri untuk dijawab oleh Tan Sri.

Tuan Wong Kah Woh [Ipoh Timur]: Terima kasih Tuan Pengerusi PAC dan terima kasih Yang Berbahagia Tan Sri yang sudi hadir pada prosiding pagi ini. Tuan Pengerusi, sekiranya Tuan Pengerusi izinkan kerana saya ada beberapa soalan yang berkaitan yang hendak ditanyakan kepada Tan Sri Irwan dan saya memohon supaya Ahli-ahli PAC jangan *interject* dulu *so that* soalan-soalan itu ada kesinambungannya dan sambung dengan soalan-soalan dengan rakan-rakan yang lain selepas inilah.

Tuan Pengerusi: Ya, sila Yang Berhormat.

Tuan Wong Kah Woh: Okey, terima kasih. So, Tan Sri setelah beberapa prosiding yang kita telah pun kendalikan dalam beberapa prosiding yang lepas, so kita dapati bahawa seksyen

54(1) Akta GST memperuntukkan supaya kesemua wang yang dikutip haruslah dimasukkan ke dalam Akaun Amanah. So, setuju ya berkenaan dengan *position* ini. Tan Sri boleh setuju?

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah [Mantan Ketua Setiausaha Perbendaharaan, Kementerian Kewangan Malaysia]: *Bismillahir Rahmanir Rahim, Assalammualaikum warahmatullahi wabarakatuh. First of all, I would like to thank PAC and I'm able willing to come lah. I mean because you know my conscience is clear and you know, like I said, you know when you look at the Akta 54, you need to look at the whole akta from provision (1) to (5). So, number (5) says that the Minister can direct the whole amount to be or part of the amount, you know. So, notwithstanding the provision (1).*

So, like I said in the earlier proceeding when I came, before budget, you know, during budget the Prime Minister who also then the Minister of Finance will call the DG of Custom, ask him how much he can give to the Consolidated Fund, net and also gross. The net is what we always take into account in budgeting purpose. In budgeting and allocation how much will go into our operating expenditures, so that we don't go into operating deficit.

For example, another thing I want to stress, I left Treasury on 13th May not June, 13th May. It's already more than five months, so the data and everything I don't have. Like earlier proceeding I said, you know, I didn't take any single file, so I don't have data. You must ask Treasury or custom for the data. I can only give some general figure. So, for example 2017, RM44 billion if I'm not mistaken, you know, was the net which goes into the Consolidated Fund, but the other, the gross part goes for the refund. So, that another things-lah.

Tuan Wong Kah Woh: Okey, Tan Sri lanjutan daripada itu saya ingat adalah lebih, *it's more accurate to say that based on the SOP dalam pengendalian GST ini, sebagai contoh pada tahun 2017, RM67 billion gross collected, akan dimasukkan ke dalam the Consolidated Revenue Account and from there, approximately 35 percent atau RM23 billion will be transferred to the Amanah Account.*

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So, that is a SOP so far. So, section 54(5) says that the Minister has a power to instruct for the moneys to be done so. So, maksudnya adalah Menteri Kewangan I iaitu Dato' Sri Mohd Najib sebelum ini telah pun authorized supaya kesemua wang dimasukkan ke dalam revenue account. Is that right?

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *There is no written thing, but in the meeting.*

Tuan Wong Kah Woh: *In the meeting, yes?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Meeting, ya.*

Tuan Wong Kah Woh: *So, okay. So, that is the thing. Next...*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Can check with the Accountant General office.*

Tuan Wong Kah Woh: *Okay. I have a slide concern about the interpretation of section 54(5). I wonder if you have the section here. Section 54(5) basically if I read it through, maksudnya adalah the money actually needs to be deposited into the Amanah Account and the Minister has the power to transfer the money whatsoever sum into the revenue account. So, that is my interpretation of section 54(5). We can also refer to perenggan 15 of the Surat Ikatam Amanah which actually basically says the same thing. So, I wonder if you agree with me on this position taken by me or not?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *I am not a legal person. But, you can ask Accountant General office because the money all directed from custom to AG.*

Tuan Wong Kah Woh: *So, as far as— That is why Tan Sri is concerned, all the money is actually go into the revenue account, from there transferred out 35 percent Amanah Account.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Because the Minister has the power to— because when we do budgeting, the Minister of Finance will ask how much GST can give for and...*

Tuan Wong Kah Woh: *Yes, we understand that.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *How much LHDN can give. Even today I think, the budget for next year, even the same thing, the calculation how much SST, how much Lembaga Hasil Dalam Negeri, then only we can have the total revenue. So, maybe here the problem is estimation of refund.*

Tuan Wong Kah Woh: *Okay Tan Sri. Next from me, I have a few more. So, we take a 2017 as an example. So, we were saying that we have a gross collection of RM67 billion, we have a net collection of RM44 billion and the budget was based on the figure of RM44 billion. But in fact...*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *That was estimated in 2016 already.*

Tuan Wong Kah Woh: *Okay, estimated in 2016. In fact, that RM44 billion, part of the sum, although estimated in 2016, part of the sum are supposed to be meant for the refund. But, that has been taken in as the revenue of the government— as an estimated revenue by the government and as an income by the government in 2017. So, do you agree with me on that?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Because custom declared that net is RM44 billion, so we are already planned. If not, operating expenditures will go into deficit. So...*

Tuan Wong Kah Woh: *But despite the estimation, part of the RM44 billion in actual fact are supposed to form part of the refund because the RM23 billion is not sufficient to cater the refund.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *There are also because auditing and everything, so it can be less in that sense. So, that also that is why when we look at the claims, that is why we were suspicious and we asked internal audit to go in and do the audit and you all also saw the audit report. Even now, the RM19.4 billion when I was the Secretary General, it was not at any time written to me that there is outstanding RM19.4 billion. I only heard in the newspaper when the current Minister of Finance made announcement that it's RM19.4 billion. At that point of time, nobody alerted that there is this huge amount outstanding. So, that is why the RM44 billion in 2017 is for operating expenditures, we— you know.*

Tuan Wong Kah Woh: *Okay. So, when talk about the request from the custom for the refund. So from the committee that chaired by you, the Kumpulan Wang Pembayaran Balik GST, this committee that chaired by you, sama ada setiap kali sekiranya kastam ada membuat permintaan daripada committee ini, maka committee ini akan memberikan kelulusan untuk transfer-kan amaun ke dalam Amanah Account? Is that a 100 percent thing? So every time they request, you will transfer.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *It is fixed, not touching the net. So, every time when they request, we approve. But at the end of the year, usually we will wait when closing account whether there is extra money coming in, then we can do extra refund.*

Tuan Wong Kah Woh: *So, that means the committee were— the jawatankuasa will be approving the sum as long as it never touching the net collection of the GST, the RM44 billion?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Because the net already allocated already for salary and everything.*

Tuan Wong Kah Woh: *So, as long as the RM44 billion not touched, whatever request will be given.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Ya.*

Tuan Wong Kah Woh: *Okay. Thank you. So, when we talk about the 35 percent cap the transfer, so we understand that when the request come, when the claims by way of— what is a form name? GTS or something GST03. When the claims come in, in actual fact the whole amount exceeded 35 percent when it rockets up to say around 45 to 50 percent, you have commission and audit to check out the things. But at that particular time, would you all have ever discussed while the audit is being commissioned to increase the 35 percent, says like to 45 percent, so that you all have more money in the Tabung Amanah?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *We want to wait for the outcome of the audit. It is because if we go and increase, that means we are also working with those who are doing fraud claims and everything. It is because the audit report is very important. So, after the audit report, maybe we thought this year we may relook at the whole figure and how the estimation being done. But you know, this year...*

Tuan Wong Kah Woh: *Okay. Second final question. The laws say the GST refund need to be done in 14 days and I think the jawatankuasa do aware. So, who has actually authorized for this money not to be paid within that 14 days?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *It is because 14 days is for clear cut. But, there are also cases when custom themselves, they said they need time. It maybe two months. It maybe six months. It maybe one year. The company, the bigger the company, the auditing will be longer. Some petroleum companies, they are billion-dollar company. So, they will take longer time. Similarly, in the LHDN also, there are cases for two years they have been auditing and investigating and so on. So, if we go and entertain everything 14 days, that means the claims which not supposed to be paid also we are paying and then audit will come and query us, why you pay to those people who are not eligible to be given. So, that is the reason, the main reason.*

Tuan Wong Kah Woh: *Okay. Chairman, my final question to Tan Sri. We are talking about RM19.4 billion as raised by the MK (Menteri Kewangan) di dalam Parlimen and it was claimed that the RM19.4 billion are the claims by the businessman or whoever against the Tabung Amanah. So now, if all this RM19.4 billion are to be approved back in May, would you agree with me that we do not have sufficient fund in the revenue account to actually to cater for this refund?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *As I said earlier, my last day was 13th May, tarikh keramatlah 13th May ini. Anyway, from January to June— I think GST was abolished in June.*

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So, from January to June I'm not sure how much the total GST collection either gross or net. You know, so you must look at that figure also this year. What is the collection January to June and how much, you know, out of that. This year we estimated the GST net is what? RM45 billion. So by June it should be at least half of the amount collected already. So, you know it's already RM22 billion. The problem arises one of reason is GST stopped, but that is another thing, you know, out of the question, not mine.

The second thing even the 19.4 should be audited, I don't know whether 19.4 is the final figure because you need to audit each and every company because there are also claim which the project haven't been completed yet. For example, Petronas Pengerang Project it will take— I

don't know what their claims, MRT project, ECRL. But I don't know ECRL paid any amount or not because they also given exemption and so on but there are other companies who claim already, who submitted. So again, you need to ask custom, you know, whether the RM19.4 billion is already final audited figure.

Tuan Wong Kah Woh: *Sorry memang last one. If you look at the testimony by Tan Sri pada 13 September, Tan Sri ada menyatakan bahawa arahan daripada Perdana Menteri sebagai Menteri Kewangan; "memang to always ensure that you know that your operating is in surplus". Okey so sama ada ini menjadi satu consideration daripada jawatankuasa ataupun daripada Tan Sri yourself, in deciding whether to approve the payment requested by custom for the refund or not. Consideration.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Ya, it's one of the— I don't know, you must ask my fiscal, you know, I don't know whether it's in the law or is it in the financial procedure that we cannot spend where there is operating deficit. So operating must be always in surplus. If not, the rating agency immediately will downgrade. They don't even wait for your, you know, overall total deficit. If operating you borrow to pay the salary you are in trouble already, any country.*

Tuan Wong Kah Woh: *Okay thank you.*

Tuan Pengerusi: *Tan Sri, the critical level, peringkat yang paling kritikal as per your pengalaman as KSP, the operating budget.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *There must be at least RM5 - RM6 billion extra than the operating budget, and I always check with the Accountant General there is RM7 billion, you know, at least in the Consolidated Fund. If the fund is shrinking then immediately they must alert me because you need to pay salary each month. It comes to around 7 to— I don't know now maybe RM8 billion, you know, minister is telling RM8 billion, but that time it was around RM7 billion plus pension and everything.*

Tuan Pengerusi: *It was reported that it came to some RM300 over million that level before the government took over...*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *That's why I don't know, you know, when Accountant General said 490 something and the Minister also made the statement in the Parliament. I'm not sure because money always coming everyday, RM300 million, RM400 million. Sometimes RM1 billion collection comes in. So, you cannot go and say I have only this amount because everyday money is coming. So, if 400 million, you can't pay salary for that particular month already. So, everyday money is coming in.*

Tuan Pengerusi: *You have to make sure that you have some surplus of RM8 billion at least per emolument for salary before the salary date.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *And they already have the calendar for salary. You know, they have calendar for salary, you know, and 25th of certain month but if it's Hari Raya or Chinese New Year they will pay early so that's why we'll make sure the money is there.*

Tuan Steven Choong Shiau Yoon [Tebrau]: *Tan Sri, just now you mentioned that the government cannot borrow to pay salary otherwise the rating will go down. But do you agree that when we say borrow, it's not necessary be borrowing from so called using bond issues or borrowing from bank. Even borrowing from tax payer is still borrowing. Do you agree? In this case, the government had borrowed from the tax payer because money due the tax payer. In any concept we can defer the payment of our creditors to make our cash flows looks good. This is called window dressing in accounting term.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Like I said, you know, certain claims we are not sure, you know, that we need to do auditing first. If we go and pay everything 14 days, even the fraud we are paying.*

Tuan Steven Choong Shiau Yoon: *No, but then under the GST law, everyone that submitted GST 03, it is showed a net refund. You are obliged to pay in 14 days to repay. You can only so called investigate, right, if to amend the GST 03 or paying if what we call subsequent amendment or if there is suspicion from the custom. So if a normal GST 03, I think the custom have already confirmed is amounting to 9.3 billion they asked under the normal GST 03 submission. So that money actually is due but we have not paid them.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Actually, it's a straight case, you know, like the amount also small, you know, usually they will pay. But if the amount is larger, then everything they will do auditing and it will take some time for them to pay, sometimes two months, three months.*

Tuan Steven Choong Shiau Yoon: *I think this is the tactic that Custom and Inland Revenue always do. I'm a tax agent. We made that it's a clear refund case but Inland Revenue always, right, find excuse, said that want to audit before the refund but actually it's very unfair to the tax payer.*

Datuk Seri Haji Ahmad bin Haji Hamzah [Jasin]: *Saya minta maaf terlambat hari ini. Ada satu sahaja. Saya baru tanya hari kelmarin itu sudah tanya sudah. I know you have already served quite some time as KSP. During this period of time when you were KSP was there any instances that we are over paying or we wrongly paid for the refund of the GST?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *This question you must direct to Customs DG because he is directly dealing with the team because it is not reported to me, unless in the audit report it's mentioned that we wrongly paid or over paid and so on. As far as I know, I haven't come across anything in such case.*

Datuk Seri Haji Ahmad bin Haji Hamzah: Tan Sri, semua wang-wang dapatan daripada kastam, GST tadi, *you keep mentioning you only taking the net. So what the balance goes to? You have got three accounts. Satu hasil, satu pinjaman perumahan dan satu lagi untuk amanah. Jadi balance of the money goes to where?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Accountant General office can answer that lah.*

Tuan Haji Ramli bin Chik [Pengarah (Bahagian Perkhidmatan Operasi Pusat dan Agensi)]: Terima kasih Tuan Pengerusi PAC, Yang Berbahagia Tan Sri Dr. Mohd Irwan. Untuk makluman Ahli-ahli PAC, semua hasil daripada GST akan dimasukkan kepada Akaun Hasil Disatukan terlebih dahulu. Kemudian kastam akan membuat jurnal penyelarasan 35 peratus ataupun 30 peratus daripada *collection* itu untuk dipindahkan kepada Akaun Tabung Bayaran Balik GST. Itu secara dasar sudah ada. So maksudnya yang kita laporkan di dalam akaun hasil itu adalah *net* yang 35 peratus itu pergi kepada tabung.

Datuk Seri Haji Ahmad bin Haji Hamzah: Tabung mana itu?

Tuan Haji Ramli bin Chik: Tabung bayaran balik GST tadi. So maknanya tabung ini adalah Akaun Amanah Disatukan.

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Datuk Seri Haji Ahmad bin Haji Hamzah: Tabung Amanah Yang Disatukan. Jadi sekarang Tan Sri sebagai bekas KSP untuk sekian lama, *you have already served the ministry for quite some time with a good track record. Jadi, how do you feel if someone now where in the capacity telling that the money disappeared. How do you feel about it?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *You know that— ini pun tersebak. [Ketawa] You know disappearance or rompak ini maybe wrong use of word. I mean, is the calculation, estimation. When Yang Berhormat Subang, in the last meeting you said the estimation in year 2016 the net coming to government maybe we overestimated. So, part of it should go to refund. Because we overestimated, so it goes into the revenue for operating expenditure. We can't touch because we are bound by these— I don't know, in Financial Procedure Act, there is a ruling that you cannot borrow for operating expenditure. Operating expenditure must always be in surplus of the total revenue collected.*

So, that is the— earlier also I said maybe we need to firm up in terms of forecasting and estimation. Even next year— I am not saying it will happen but the figures which custom gave how much SST collection, LHDN how much, it is because sometimes their estimation is based on GDP, the economic growth. At one point of time when LHDN in year 2015 they overestimated. When the oil price went down from USD100 to USD50, RM15 billion short in our revenue. RM15 billion, I have sleepless night, sleepless night. Where can we go and how are we going to pay salary.

So, estimation is very important, estimation. At that point of time luckily— you know at that point of time, I am saying not now. At that point of time we implemented GST. So, extra about RM20 billion we got from GST, one. Number two, we tighten our belt. All those excessive spending, ministries and everything we asked them to cut and we saved. No more new cars, used your old car and everything, we tightened and we managed that particular year 2015 to overcome the shortage in revenue. So, estimation must be scientific, really scientific. It cannot depend on, I will collect. Sometimes they— I do not want to say things. Sometimes, you know, again not need to be recorded.

[Perbincangan secara tanpa rekod]

[Ahli-ahli berbincang sesama sendiri]

Tuan Wong Chen [Subang]: Thank you Tan Sri for your candid comments. I fully agree with you, estimation is not an exact science. You know, it needs a bit of art also. Kalau dia hendak kaki bodek itu dia akan naik. The estimation for revenue.

So, I think your testimony from the last time is about the same. I really don't have much to add. But I do want to give you the opportunity, to be fair to you. In the final analysis, what do you think is the issue here? I want to give you the opportunity to say your mind. Do we have enough money to cover these RM19.4 billion in your estimation? Obviously, that you don't have the data with you. Do you want to have any final words on the issue? It is because I think it is more or less the same matters being brought up again.

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: When the decision to stop GST, immediately whatever money coming from GST should be also used to repay. So, I don't know what happened from January to June. Even June collection, total amount collected went into the operating expenditure, or it is used to pay GST. So, that is another thing, you know. So, again...

Tuan Wong Chen: So, I mean earlier your estimation Tan Sri is that— I mean we can do the math. If you estimate RM45 billion revenue for 2018 on June 1st you estimated, I mean we can do the math, it's about RM22 billion. So, in your estimation, you think it should be sufficient

to cover these RM19.4 billion or you think that there is something missing also in this, is it insufficient?

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Will be sufficient provided you also have other revenue to cover your operating expenditure because you need to cover also your operating expenditure.*

Puan Wong Shu Qi [Kluang]: *Tuan Pengerusi, Tan Sri boleh saya tanya conclusion is because of the wrong expectation estimation on the collection and the refund, so cause the problem of we faced today?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *On one part 30 percent to 35 percent is the estimation of refund but the refund went higher and the net collection is already fixed on the other hand. So—*

Puan Wong Shu Qi: *Dan juga kerajaan kerana peratusan itu telah ditetapkan dan kita ada operating budget, operating expenses yang perlu cover setiap hari, setiap bulan, setiap minggu iaitu kita terpaksa untuk pakai amaun yang kita ada dalam Akaun Hasil Disatukan untuk membelanja. Betul atau tidak?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Because we need to spend for operating expenditure, then we need to use Consolidated Fund.*

Puan Wong Shu Qi: *Maksudnya mungkin ada amaun yang seharusnya dibayar balik oleh kerajaan kepada pembayar cukai tetapi amaun itu telah dipakai untuk perbelanjaan kerajaan?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *This year I am not sure because you'll need to asked AG how much already paid this year alone on GST refund because I don't have the figures. Saya tidak ada figure dia this year berapa sudah bayar every month. It is because every month kita bayar refund. So, total berapa from January to June we paid this year. Even when I left in May, we already knew GST going to be stopped, the whole month of June collection should be refunded back by right.*

Datuk Seri Haji Ahmad bin Haji Hamzah: *Tan Sri, roughly as far as you can remember, what is the average balance that you have in your account? Were there any instances that you don't have any balance?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Surplus?*

Datuk Seri Haji Ahmad bin Haji Hamzah: *Ya, surplus.*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Like I said RM5 billion, RM6 billion, you know, sometimes RM7 billion, so it doesn't go below RM5 billion, the surplus.*

Datuk Seri Haji Ahmad bin Haji Hamzah: *What was there any instances that you are run out of money?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *For operating? No, we will make sure operating expenditure is met, you know. [Ketawa]*

Tuan Wong Kah Woh: *Tan Sri, we come back to 35 percent yang telah pun ditetapkan oleh jawatankuasa. So, pagi tadi saya telah pun diberikan satu booklet I think daripada MOF. Dalamnya ada satu cadangan anggaran keperluan bajet bagi Tabung Kumpulan Wang Pembayaran Balik GST. Kertas kerja ini disediakan oleh seorang pegawai bernama Rohana binti Ahmad, Unit Khas GST Jun 2011.*

Dalam kertas kerja ini sememangnya saya nampak cadangan daripada dalam kertas kerja ini adalah wang pembayaran balik haruslah ditetapkan pada kadar 40 peratus. *In this working paper it says that the money to be transferred should always be 40 percent. So, saya tidak pasti selepas itu dalam mesyuarat pertama jawatankuasa, kenapa ianya ditetapkan 35 percent instead of 40 percent seperti yang dicadangkan dalam kertas kerja ini. Are you aware of this working paper?*

Tan Sri Dr. Mohd Irwan Serigar bin Abdullah: *Secara ikhlas, I've never read because you know whatever officer level, they will advise me. Advice given internationally. Those who implemented GST all over the world is around 30 percent to 35 percent. So, always you know one thing about government agencies— I am not blaming anybody, I am not blaming custom, I am not blaming. You know, as Secretary General, even for the current Finance Minister and everything, whenever an agency put a claim, they always mark up.*

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Let say they want a budget for this year. They will mark up, at least if the actual they want for their spending is 50 billion, they will put 55. They know that at the treasury they will cut. So, same thing, anything they will mark up. So, even like claim also they will mark up. So, we go for more prudent, what is the practice, so that we are in line. If not, the international agency will question why your claim is higher than the normal other peers who are implementing GST. So, we want to be in that prudent.

Tuan Pengerusi: *Saya rasa tidak ada soalan daripada ahli. Ini merupakan kali kedua Tan Sri berhadapan dengan kita dan— Yang Berhormat Kota Bharu you missed the first part, half an hour part. [Ketawa] We are finishing already. I will not tahan dia lebih lama dekat sini. So, sebabkan tiada apa-apa lagi. Saya ucapkan terima kasih kepada Tan Sri untuk sekian kali kedua kali kerana memberi kerjasama yang begitu baik dengan kita dan tentu sekali keterangan yang diberi ini akan membantu kita untuk membuat rumusan. Terima kasih Tan Sri.*

[Mesyuarat ditangguhkan pada pukul 11.41 pagi]

