

**PERCEPTION OF POLITEKNIK TUANKU
SULTANAH BAHYAH'S ACADEMIC STAFFS
TOWARDS THE PROPOSED GOOD AND
SERVICES TAX**

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UNIVERSITI UTARA MALAYSIA

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PERCEPTION OF POLITEKNIK TUANKU SULTANAH
BAHIYAH'S ACADEMIC STAFFS TOWARDS THE
PROPOSED GOOD AND SERVICES TAX

A thesis submitted to the Graduate School of Business in
partial fulfillment of the Requirements for the degree Master
of Business Administration (Accounting), Graduate School of
Business, Universiti Utara Malaysia

by

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I certify that the substance of this thesis has not already been submitted to any degree and is not currently being submitted for and other degree qualification.

I certify that any help received in preparing this thesis and all sources used have been acknowledged in this thesis.

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ABSTRAK

Kerajaan Malaysia mencadangkan untuk melaksanakan Sistem Cukai Barangan dan Perkhidmatan (GST). Sebelum kerajaan melaksanakannya, maklumbalas dan kefahaman terhadap GST sangat diperlukan daripada orang awam atau pengguna. Kajian ini dilakukan untuk memenuhi jurang dalam mengenalpasti persepsi GST antara warga pendidik di Politeknik Tuanku Sultanah Bahiyah (PTSB). Pengukuran untuk persepsi diadaptasi daripada kajian sebelumnya. Data dikutip dengan menghantar soal selidik kepada semua staf akademik iaitu enam jabatan akademik di PTSB berjumlah 291 responden dan 210 responden telah dikembalikan dengan kadar 72%. Analisis secara deskriptif dan berstatistik telah digunakan untuk membuat kesimpulan. Hasil kajian menunjukkan bahawa tahap kefahaman dan kesedaran yang sangat rendah terhadap GST antara staf akademik di PTSB, dan selari dengan penemuan sebelumnya. Kerajaan perlu meningkatkan pendidikan dan kempen kesedaran di kalangan masyarakat dalam menuju pelaksanaan GST di Malaysia.

ABSTRACT

Malaysia is proposing Goods and Services Tax soon and before the government implement, it needs feedback on the understanding and acceptance by the public. This study is conducted to fulfill the gap in identifying the perception of GST among the educator in Politeknik Tuanku Sultanah Bahiyah (PTSB). Measurements for perception were adapted from previous study. Questionnaires were distributed to 291 lectures in *PTSB* and 210 returned giving a 72% response rate. Descriptive and inferences statistic were used to analyses. Finding shows that there were a very low understanding and awareness among *PTSB'* academic staffs and this consistent with previous findings. Government need enhance education and awareness campaign among public in order for GST to implement with much resistance.

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ABBREVIATIONS

CE	Civil Engineering Department
COM	Commerce Department
EE	Electrical Engineering Department
EU	European Union
GE	General Studies Department
GST	Goods and Services Tax
IRAS	Inland Revenue Authority of Singapore
MATA	Malaysia Association of Tax Accountants
ME	Mechanical Engineering Department
MSC	Mathematics, Science and Computer Department
PSAs	Public Service Announcement
PTSB	Politeknik Tuanku Sultanah Bahiyah
VAT	Value Added Tax

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

This chapter gives an overview of perception Politeknik Tuanku Sultanah Bahiyah's academic staffs towards the proposed Good and Services Tax (GST). The background of the study, problem statement, and motivation for the study, research questions and also research objectives is discussed in this chapter.

Malaysia 5th Prime Minister, Datuk Seri Abdullah Badawi had announced the proposed implementation of Goods and Services Tax in Malaysia with effect from 1st January 2007 during the 2005 Budget Speech. The idea of introducing a new indirect tax to replace Sales Tax and Services Tax is a primitive motive to bluster revenue for the government (Kasipillai, 2005). On 16 December 2009, Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah announced that the implementation of GST had to be postponed to middle of 2011 (Lee Yuk Peng, 2009). The idea of postponing is due to the need for more time to further refine the proposed GST model as well as to ensure the businesses were ready to implement the GST (Min, 2006) By Subromaniam (2010) *"...the implementation of GST has only been deferred, not cancelled. So whether Malaysians are for against this tax, they will have to deal with it in the future."* (Majella Gomes, 2010).

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