

A BILL

*i n t i t u l e d*

An Act to amend the Price Control and Anti-Profiteering Act 2011.

[ ]

**ENACTED** by the Parliament of Malaysia as follows:

**Short title and commencement**

1. (1) This Act may be cited as the Price Control and Anti-Profiteering (Amendment) Act 2014.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette*.

**Amendment of section 2**

2. The Price Control and Anti-Profiteering Act 2011 [*Act 723*], which is referred to as the “principal Act” in this Act, is amended in section 2, in the definition of “authorized officer” by inserting after the words “public officer” the words “or officer of a local authority”.

**Amendment of section 3**

3. Section 3 of the principal Act is amended by substituting for subsection (6) the following subsection:

“(6) The Minister may authorize any public officer or officer of a local authority to exercise all or any of the powers under this Act.”.

**New section 10A**

4. The principal Act is amended by inserting after section 10 the following section:

**“Prices or charges imposed not to include certain items**

**10A.** (1) Any person who supplies or offers to supply any goods or services shall not include the items as specified in the Schedule as part of the price of the goods or charge for the services.

(2) Any person who fails to comply with subsection (1) commits an offence and shall, on conviction, be liable—

(a) where such person is a body corporate, to a fine not exceeding five hundred thousand ringgit and, for a second or subsequent offence, to a fine not exceeding one million ringgit; or

(b) where such person is not a body corporate, to a fine not exceeding one hundred thousand ringgit or to imprisonment for a term not exceeding three years or to both and, for a second or subsequent offence, to a fine not exceeding two hundred and fifty thousand ringgit or to imprisonment for a term not exceeding five years or to both.”.

**Amendment of section 15**

5. Section 15 of the principal Act is amended—

(a) by inserting after subsection (1) the following subsection:

“(1A) The mechanism to determine that profit is unreasonably high referred to in subsection (1) includes the Minister determining a certain period during which there shall be no increase in the net profit margin of any goods or services.”; and

(b) in subsection (2), by inserting after paragraph (b) the following paragraph:

“(bb) any cost incurred in the course or furtherance of business;”.

**New section 53A**

6. Part VIII of the principal Act is amended by inserting before section 54 the following section:

**“Duty to keep records**

**53A.** (1) Any person who supplies or offers to supply any goods or services shall keep and maintain proper records relating to the business operation including the following records:

- (a) sales records including receipts and sales books;
- (b) purchases records including invoices from suppliers;
- (c) expenses records including payment records, invoices and particulars of acquisitions;
- (d) documents relating to the determination of pricing for the goods or services;
- (e) records of remunerations, allowances or wages; and
- (f) tax records and any related documents, if any.

(2) The records under subsection (1) shall be—

- (a) preserved for a period of seven years from the latest date to which the record relates;
- (b) available at all times for examination by the Assistant Controller; and
- (c) kept up to date and in good order and condition.

(3) Any person who fails to comply with subsection (1) or (2) commits an offence.”.

### **New section 60A**

7. The principal Act is amended by inserting after section 60 the following section:

#### **“Power to amend Schedule**

**60A.** The Minister may, by order published in the *Gazette*, amend the Schedule.”.

### **New Schedule**

8. The principal Act is amended by inserting after section 63 the following Schedule:

#### “SCHEDULE

[Subsection 10A(1)]

#### ITEMS NOT TO BE INCLUDED IN PRICES AND CHARGES

1. Any credit for input tax against output tax under section 38 of the Goods and Services Tax Act 2014 [*Act*   ].
2. Any special refund of sales tax under section 190 of the Goods and Services Tax Act 2014.”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Price Control and Anti-Profiteering Act 2011 (“Act 723”).

2. *Clause 1* contains the short title and provision on the commencement of the proposed Act.
3. *Clause 2* seeks to amend section 2 of Act 723 relating to the definition of “authorized officer”.
4. *Clause 3* seeks to amend subsection 3(6) of Act 723 to enable the Minister to authorize an officer of a local authority to exercise all or any of the powers under Act 723.
5. *Clause 4* seeks to introduce a new section 10A into Act 723 to prohibit the inclusion of the items as specified in the Schedule as part of the price of any goods or charges for any services.
6. *Clause 5* seeks to amend section 15 of Act 723. *Subclause 5(a)* seeks to provide that the mechanism to determine that profit is unreasonably high referred to in subsection 15(1) includes the Minister determining a certain period during which there shall be no increase in the net profit margin of any goods or services. *Subclause 5(b)* seeks to allow the Minister to take into consideration any costs incurred in the course or furtherance of business in formulating the mechanism to determine that profit is unreasonably high.
7. *Clause 6* seeks to introduce a new section 53A into Act 723 which deals with the duty to keep records.
8. *Clause 7* seeks to introduce a new section 60A into Act 723 to empower the Minister to amend the Schedule.
9. *Clause 8* seeks to introduce a new Schedule into Act 723 which listed the items that shall not be included as part of the price of any goods or charges for any services as specified in the proposed section 10A.

*FINANCIAL IMPLICATIONS*

This Bill will not involve the Government in any extra financial expenditure.

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