Reference: material

> Choosing the right fabric in home decor

WHETHER your intention is to brighten up a room or completely transform it, the use of fabric is a brilliant way to go about it. Versatile enough to fit into any style and budget, fabric has the ability to turn a boring and inexpensive-looking room into a fascinating and somewhat luxurious looking one.

Though fabric can be incorporated into home décor in many ways, be it flooring, curtains or walls, the vast amount of options available in the market today makes identifying the right fabric that is right for a particular space or one that is suitable for a purpose, a challenge.

"The biggest mistake of homeowners, when using fabric in décor, is the lack of practicality. Frankly speaking, they are simply not choosing the right fabric," says interior designer Tessa G. Ooi.

Therefore, it is essential to consider the type of fabric that is needed and the purpose, prior to using it.

"A few basic questions related to the purpose of the space can be of great help here. For instance, if the space is a family living room or dining room where children may eat and play, fine fabric such as silk will not be the most practical option.

"Similarly, conservatories that benefit from lots of sunlight do not lend themselves well to leather since this material becomes hot in the sun," adds Ooi. "Besides, it sits better in cooler temperatures."

Recommended fabrics to use around the house:

1 COTTON VELVET

Cotton velvet is grandiose in touch, feel and sight. It is a lavish fabric that can add drama and decorum to an area. It can be found in a wide variety of colours and are both strong yet soft to touch. Cotton velvet fabric is also long lasting if well looked after. It can be used to upholster sofas and other forms of seating. The best part is that the fabric is resilient or volatile; and if you have children or pets, the texture of the fabric can mask any crumples to emanate an appealing look.

Best for: Living room and dining room.

2 LINEN

Linen is a natural fabric that looks fantastic but only when it has been ironed well as it is highly susceptible to creasing. For this reason, linen is an excellent choice for fixed home décor items, rather than "heavy-use items" such as bedding. However, when blended with man-made fibres, creasing can be reduced. While linen is extremely resilient and can last for a very long time, with appropriate care taken, it is extremely difficult to treat without the help of a specialist if it becomes stained. Household products using linen include aprons, bags, towels and napkins, table cloth, runners, chair covers, rugs, throws, covers and curtains.

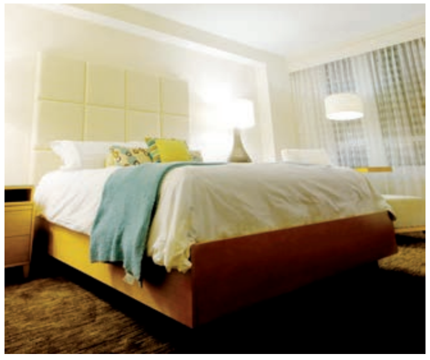
Best for: Formal living room and home office.

3 SILK

Silk is a highly delicate yet luxurious and lustrous fabric. To the touch, silk can feel soft, coarse even, satiny as well as velvety. In the home, silk is most appropriately used in curtains and cushion covers. In using silk as drapes, it is necessary for the material to be lined to protect it from damage from strong sunlight. If silk is exposed to the sun for too long, the fabric begins to lose its moisture and the silk fibres become weak, and susceptible to tearing. Aside from curtains and cushions, silk is also a wonderful fabric to use as decorative throws, pillow covers, table runners, mats and doilies and other decorative intentions.

Best for: Bedroom and formal living room.

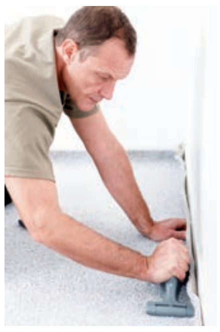
4 POLYESTER



Extremely strong and durable, polyester is fantastic to use around the house. This fabric is resistant to most chemicals; wrinkle, abrasion and mildew resistant; does not shrink when washed; and dries quickly. It also holds well to sun exposure and daily use. Polyester can also be made to look like natural fabric such as suede and leather, and can be found in all sorts of home accessories including bed sheets, blankets, upholstered furniture and more.

Best for: Dining room, bedroom and bathroom.

5 OLEFIN



Olefin is a synthetic material and can be extremely durable. Olefin can be ideal for interior design projects. Some advantages in using olefin in home interiors include its resistant to stains, its strength, colourfast and comfort, resistance to mildew, does not shrink when washed and it is not harmed by exposure to the sun. In home decor, it is commonly used as soft furnishings and textiles, as cushions, carpets and rugs, carpet tiles and carpet backing. Its fibres are often used in upholstery, draperies, wall coverings, slip covers and floor coverings. Did you know that olefin is also easily recycled?

Best for: Children's playroom, dining room and bathroom.

INSIGHTS

DIY FABRIC DÉCOR IDEAS

FLOOR COVERING

Why pay big bucks for an expensive rug when you can make one out of your favourite fabric? To start, buy a piece of canvas in the same size as your intended fabric rug. Purchase fabric four inches longer than your canvas on all sides. Place your fabric flat on a table and put the canvas on top of your fabric. Cut the fabric to size. Using fusible webbing, iron the fabric and sew in the edges.

FABRIC WALL PANELS

Fabric wall panels can be easily made. For a stunning effect, frame it in a bronze or carved wooden frame ... and voila! It looks extravagant and stylish. To start, buy a unique printed piece of fabric and stretch it over a ready-made canvas, or your store-made frames of your own. Fold the edges and either staple or glue it to the frame/canvas. If using glue, let it dry overnight before you hang it on your wall.

Did you know?

* Silk is naturally hypoallergenic and is recommended for people with dust mite allergies.

* The smooth, tightly-woven fibres of silk bedding help keep moisture in the skin and is said to delay the onset of wrinkles.

Five questions to ask before selecting a fabric:

- What will the room be used for?
- Is the room a "high-traffic" area?
- Will the room be used by children and pets?
- How much sunlight is the room prone to?
- Will guests be using the room?

Recommendations and views of Tessa G. Ooi.

Email your feedback and queries to: propertyqs@thesundaily.com

INSIGHTS

PART 1

GST on property

> Insights and important information

WITH the implementation date for GST just around the corner, many are frantically searching for clarity, especially those running their own businesses, entrepreneurs and investors. The government recently announced that targeted consumers will not have to pay GST on the purchase of RON95 petrol, diesel and LPG.

It also confirmed that the following items will not be subject to GST:

(i) all types of fruits whether local or imported;

(ii) white bread and wholemeal bread;

(iii) coffee powder, tea dust and cocoa powder;

(iv) yellow mee, kuey teow, laksa and meehoon;

(v) The National Essential Medicine list covering almost 2,900 medicine brands. These medicines are used to treat 30 types of diseases including heart failure, diabetes, hypertension, cancer and infertility;

(vi) reading materials such as children's colouring books, exercise and reference books, textbooks, dictionaries and religious books; and

(vii) newspapers.

The information above is retrieved from the NBC Group website (*www.nbc.com.my*).

What about property? Agnes Wong, who delivered a talk on GST at the recent Property Outlook Conference 2015 in KL, urges those with more burning questions to refer to *gst.customs.gov.my* under the Royal Malaysian Customs Department (RMCD). Nevertheless, she shares her knowledge and expertise on GST and helps clear the air on some GST-related issues pertaining to the industry.

PROFESSIONAL INSIGHTS

Wong, a managing partner of Syarikat Ong Group of Companies, chartered accountant and a licensed tax agent and more, shares her thoughts on how this Goods and Services Tax will affect those of us who in some way "have some business" in the property industry – as house purchasers/investors/landlords et cetera. First and foremost, she refers to GST as a "consumer tax", it being borne by the end consumer. She also makes this "negatively perceived levy" sound positive and simple. "The higher one's spending, the more GST has to be paid by the consumer, which is being collected by the customs department," she says.

"Personally, I see GST as a fairer tax ... payable when you consume. So, if you do have the money to consume, then tax will be collected by the government accordingly," she explains.

In Malaysia, much of one's basic needs has been categorised as "zero-rated items" under GST. Hence, Wong reminds, if consumption is planned properly, GST payments can be managed. Nevertheless, she urges consumers to find out what are the zero-rated, GST-exempted and GST-levied goods.

A list of these can be downloaded from *www.gst.customs.gov.my*

Exempt supply means goods and services sold by businesses that are exempted from GST. For such businesses, GST paid on their inputs cannot be claimed as credits. Examples of goods and services exempted from GST are as follows:

1. Land used for residential or agricultural purposes or general use;
2. Building used for residential purposes;
3. Financial services;
4. Private education services;
5. Childcare services;
6. Private healthcare services;
7. Transport services;
8. Tolled highways or bridges;
9. Funeral, burial and cremation services; and
10. Supplies made by societies and similar organisations.

[Information retrieved from NBC Group]

Wong also states that technically, the price of cars should come down "as GST, which stands at 6%, will replace the current sales tax (for motor vehicles), which is 10%".

"For businesses with proper GST planning, this tax is really not categorised as part of a business cost; except for those items which are restricted by the GST Act, such as items under 'Block Input Tax' and those businesses dealing in exempt supply items where their GST payable is non claimable," says Wong.

IMPACT ON THE WHOLE

With the property developer and construction company affected, the price of property is expected to go up ... "between 2.6% and 3%".

"The inflation of 2.6% is calculated by REHDA. I got the information from their recent presentation at the GST conference organised by the CTIM (Chartered Tax Institute of Malaysia)," shares Wong.

Below, Wong spells out how various parties will be affected by the GST.

▶ Contractor

- Currently, contractors may incur costs on professional services such as engineers, architects, lawyers, surveyors and consultants. These are chargeable under the 6% services tax, as well as a 10% sales tax on certain equipment. Currently, those taxes cannot be claimed back.
- With the implementation of GST, the sales and services tax will be replaced with the 6% GST which is claimable. However, contractors will need to manage their cashflow properly as output tax needs to be accounted and paid for, regardless of whether payment has been received from the developer/client.

▶ Developer

- Developers of both residential and non-residential land in a project are being classified as "mixed supplier" under GST. Their main challenge includes the apportioning of the input tax incurred. They will need a good and knowledgeable accounting team to handle such work.
- IT issues – upgrading software to be GST-ready is an important part of getting a developer GST-prepared. This carries extra costs to the business.
- Price increase on major input costs from components that are currently free of Sales & Services Tax, but will be charged GST now.

▶ Home investor & purchaser

- GST financeable? As GST is claimable by registrant, GST will not be financeable. Hence, as a non-GST registrant investors, you will be expected to fork out more money to acquire a non-residential property. Hence, the margin of financing will drop as GST is not financeable. What is your margin of financing?
- Hike in property price? I think when it comes to property price, it will be interesting to see how each developer deals with his own GST interpretation, as this will affect the developer's pricing strategy on his products to his customers.
- Who is your next buyer? If you are a GST registrant seller, will your selling price remain competitive if your buyer is a non-GST registrant? I think there is no right or wrong answer to this question. If you still want to transact a deal with a non-registrant, will the non-registrant buyer negotiate that the price sold is GST inclusive or GST exclusive? We can only wait and see how the market drives itself in the GST era.
- RPGT vs income tax? This is an upcoming topic to look at by investors and purchasers.

COME APRIL 1, 2015

For those who have purchased properties and are waiting for delivery (if they do not receive their properties by April 1, 2015), Wong advises to check with the developer as to who will take up the GST cost. She highly recommends one to query their developers now due to the many different scenarios and impacts as spelled out below.

i. If the property is under an agreement with progressive payments and the key or vacant possession will only be handed over after April 1, 2015:

a) The progressive payment that is made after April 1, 2015 will be subject to GST;

b) If the agreement states that the last payment should be made after April 1, 2015, even though one has made the full payment before April 1, 2015, the last payment will still be subject to GST because according to the agreement, the full payment should be made before April 1, 2015.

ii. If the property is under an agreement with no progressive payment and the key or vacant possession will only be handed over after April 1, 2015:

a) The invoice or payment which was issued or received before April 1, 2015 is deemed GST chargeable, as if it took place on April 1, 2015.

Wong's advice: "Basically, whenever you transact a property, whether you are a registrant or non-registrant, your knowledge in understanding your GST impact is important when making your decision to buy or sell. So, arm yourself with knowledge, sign up for some of the many courses and programmes to familiarise yourself about GST."

Follow our column in the next few weeks to learn further how GST will impact the property and secondary house market.

DID YOU KNOW?

- The current sales tax and service tax will be abolished and be replaced by a consumption tax based on the value-added concept known as Goods and Services Tax (GST).
- Supplies made by the federal and state government departments are not within the scope of GST except for some services prescribed by the finance minister. Supplies made by local authorities and statutory bodies in relation to regulatory and enforcement functions are not within the scope of GST.
- GST charged on all business inputs such as capital assets and raw materials is known as input tax whilst GST charged on all supplies made (sales) is known as output tax. For eligible businesses, the input tax incurred is fully recoverable from the government through the input tax credit mechanism.
- The standard GST rate is 6%. The threshold for purposes of registration under GST is the annual sales value of RM500,000. Businesses below the threshold are not required to register but may do so on a voluntary basis.

[Information retrieved from NBC Group]

PROPERTY PRICES ADVERSELY IMPACTED

- 2014 Budget Residential – Exempt Non-residential – Standard.
- Escalating house prices poses a major challenge for house buyers.
- Higher prices of goods and services will be incorporated into the sale price of residential properties.
- Prices of residential properties will be affected by the implementation of GST especially the affordable housing category – home ownership by target groups will be a bigger challenge.
- Based on consultation with industry experts and member developers, REHDA's calculation shows that GST imposition will result in an increase of house prices by about 2.6%.
- Currently, some input materials are levied with Sales and Service Tax at 5% and 10%. However, these are not major building materials/construction components incurred by developers.
- In actual fact, major components of construction namely cement and concrete, steel, bricks, sand, etc currently do not attract Sales and Service Tax.
- Therefore, implementation of GST will inevitably contribute to the increase of property prices.

[Information from REHDA presentation]

▶ Email your feedback and queries to: propertyqs@thesundaily.com

INSIGHTS

PART 2

GST on property development industry

> Property developer highlights and valuable market research information

WITH less than two weeks before the implementation of the 6% Goods and Services Tax (GST) that will replace the existing Sales and Service Tax, *theSun* shares valuable insights from C. H. Williams Talhar & Wong (WTW), along with information for the developer from the Royal Malaysian Customs Department (RMCD).

PROPERTY DEVELOPER HIGHLIGHTS

RMCD describes GST as a multi-stage tax on domestic consumption that is charged on all taxable supplies of goods and services in Malaysia, except those specifically exempted. It also states that in relation to real estate, GST will be charged for everything attached to it – on or below the surface – including the building, the trees and vegetation, plus other structures and objects in, over and under it. With that, GST will have an impact on both the developing firm and construction companies.

Land that is exempted from GST includes that intended for agriculture, residential means (including residential houses such as link house, semi-detached house, detached house, apartments or serviced apartments and condominiums), plus general purpose plots used as burial grounds/cemeteries, playgrounds and religious purposes.

However, the supply of land and building that will be subjected to GST includes those for commercial, administrative and industrial purposes such as shop lots, offices, retail businesses, small-office-home-offices (SoHo), small-office-virtual-offices (SoVo), small-office-flexible-offices (SoFo), factories, hotels, motels, inns, hostels and warehouses.

Any lease, tenancy, easement, licence to occupy land or transfer of undivided share in land is considered a supply of services. Any transfer of the whole right of ownership in land, land under an agreement for the sale of such land, land under an agreement which expressly stipulates that the ownership of such land will pass at some time in the future, any interest under a Deed of Assignment or any strata title is categorised as supply of goods. Both are taxable under the GST.

Taxable and exempt supplies for a developer come under the umbrella of supplies under the main development of which the developer charges his purchasers. A developer's taxable supply is the sale of commercial buildings. His exempt supply would be the sale of residential housing. However, there are some administrative fees and charges that are subject to and exempt from GST. See RMCD website for details. An alternative would be for developers to attend the RMCD programme as per details shown here.

A DIFFERENT PERSPECTIVE

With all said, WTW interestingly puts a whole new perspective to the GST. It refers to it as a consumption tax applicable to monies spent, but that which "may encourage savings and discourage ostentatious purchasing". It explains that "GST will widen the tax base, to ensure that even the person who had avoided paying income tax will end up paying towards taxes when he spends". While some call it the "fairer tax", others have various perceptions about this new charge levied by the government that will affect every industry.

According to the report from WTW, this multi-stage taxation will set-out, starting from the supplier who provides raw materials to their customers (the contractors) and charge them the 6%. These contractors who provide construction services to the developer will also charge their client (the developer), the 6% as services are taxable under GST. With raw materials and construction services being standard-rated supplies, both supplier and contractor can claim rebates for 6% GST that is paid to the government for their purchases. The same works for commercial properties. However, for residential property sales, developers are NOT required to make GST payments. They are also NOT entitled to claim rebates. Consequently, all GST paid up to the residential development stage will be absorbed as part of development costs. Unfortunately for the house purchaser, this cost can be passed on to them IF the developer decides to maintain his gross margins. Alternatively, GST costs can be partially absorbed if the developer decides to accept a lower gross margin and maintain a more competitive price. The essence about this flexibility is that negotiations can be discussed and established, leading to more buoyant property prices. In the long run, it looks as though the market on the whole will be more volatile and so much more interesting.

RISING COSTS

While each developer will have to decide whether to bear the GST costs or pass it on to the purchaser, here are some insights that give rise to the increased costs. Upon GST implementation, all types of construction services will be subjected to 6% GST. Moreover, additional costs will be incurred for construction, especially when non-taxable materials become taxable under GST or taxable materials are charged a higher tax rate. According to WTW, significant impact is expected on structural elements and M&E (mechanical and electrical) works.

Generally, total construction costs of high rise residentials is expected to increase by 3.97% once GST is implemented. Of the five main elements in construction (structural, architectural, finishes, services and M&E works), structural elements and M&E works will experience the highest hike of about 6% compared to the rest, of about 0.95%. Here are some examples of the five elements: structural - reinforced concrete framework, floor slabs and staircase, etc; architectural – roof, windows, doors, hand railing, etc; finishes – all finishes on ceiling, wall, flooring, staircase, external wall, etc; services – sanitary wares and fittings, etc; and M&E works – air-conditioning, fire protection, electrical and telephone services, lifts, etc.

According to WTW's report, construction and developer's costs are likely to increase, but by less than 5% and the implementation of GST is not likely to have such a great impact. This is due to the fact that crude oil price has dropped since end 2014, resulting in a reduction in the price of several raw materials. The conclusion from the report: House prices may not move upwards even when GST kicks in.

ROLE IN PROPERTY DEVELOPMENT	PRODUCT	TYPE OF SUPPLY	OUTPUT GST	CLAIMABLE
Raw material supplier	Raw material	Standard rated	6%	Yes
Contractor	Construction service	Standard rated	6%	Yes
Developer	Residential	Exempted	n.a.	No
	Commercial	Standard rated	6%	Yes

Source: WTW Research

In all, the market is expected to slow down, if it hasn't already, due to uncertainty. With this, we bring to mind the words of property guru Milan Doshi: "The best time to buy a property is usually when others fear to do so. That is the time when one can get good deals which normally don't come by during better times. As long as you know the locations are good to invest in, you can secure good financing and can negotiate good deals. A smart investor should possess the know-how and the know - two main ingredients to be a good property buyer." For those who have the know-how but not the know on GST and its influence on the market, it is best to accoutre oneself now.

Follow our column next week to learn of the impact GST will have on the secondary house market.

Goods and Services Tax "Hand-holding Programme" for developers and contractors organised by Royal Malaysian Customs Department in Muar, Johor.

Conditions:

1) Company has already registered and received GST ID.
2) Only TWO representatives from each company.
3) Application must be done online via https://docs.google.com/forms/d/1cujkBFdRMdGkGCtp74P981jVFrdH9egH0he1wkpdqfQ/viewform?c=0&w=1

Date : March 25, 2015 (WEDNESDAY)
Time : 9am to 4pm
Location : Hotel Pelangi Muar, No: 79, Jalan Sisi, 84000 Muar, Johor.

Email your feedback and queries to: propertyqs@thesundaily.com

INSIGHTS

PART 3

GST on property

> Impact on the secondary house market and solutions to cope with the additional levy

WE are just days before the Goods and Services Tax (GST) kicks in and excitement, or anxiety, is in the air. By now, property developers should be in the know as the Customs Department has held a "hand-holding programme" to brief and address their GST queries. Our previous two articles also shared valuable insights and comments of professionals in the field on the "consumption tax", said to have a bigger impact on those who "consume" more. Property prices will go up unless developers are willing to accept lower gross margins to maintain competitive prices. The question is, will the secondary house market be affected?

OVERVIEW

At a briefing organised by Malaysian Institute of Estate Agents (MIEA), tax consultant and principal of KP Bose Sdn Bhd, plus former board member of the Financial Planning Association Malaysia KP Bose Dasan shared his views. "The impact of the new GST will be felt across the whole cross-section of society. It is a tax on sales and services, therefore a tax on all kinds of consumption. The final consumer is asked to pay 6% more for his goods and services. In fact, the government has made businesses its tax agent to collect GST. It expects to collect more than RM21 billion from it," he says. He adds that the word "consumption" does not appear in the GST Act. which does not include capital goods like properties, plant and equipment. "These are not the common everyday consumption items. They are fixed assets and investments.

"The key point in Malaysian GST is that there are so many important goods and services that are exempted from GST that the burden of taxation is now clearly spread between the final consumer and the business establishment. Private education, healthcare, transportation, financial services and residential property sales are exempted from GST but because these establishments cannot generally claim any input GST incurred, the cost of the input GST is borne by the establishments. There lies the dilemma for the businessman, which is to absorb the cost and lower his profit or to increase his price and pass on the cost to the consumer. An increase in price over 6% is tantamount to the same GST taxing effect," Bose informs.

By now, the majority of the *rakyat* would already be aware that there are three categories of supplied goods and services: standard-rated (6%), zero-rated (0%) and exempt. Most food stuff and basic services fall under the zero-rated category, therefore no GST will be charged or collected on these supplies and the business establishments can recover any GST input tax incurred on these items.

Goods and services under the standard-rated group will be charged 6% GST, which will be added onto the invoice price. The input GST incurred by the business establishment will be allowed as a refund, therefore, the business establishment is neutral. "It collects GST on behalf of the government from its sales and deducts any GST that it has incurred on its input," explains Bose. The problem lies with the exempt supplies, according to Bose. "No GST is collected from exempted supplies and any input GST incurred by the business is generally not allowed. So, businesses will have to decide to raise or not to raise their prices," says Bose and adds that in other countries, the number of exempt supplies is limited to financial services and residential property.

People's views on how to live with GST

1) Sharpen your negotiation skills and re-negotiate your salaries with your boss.
2) Purchase items that can sit on the shelf for the next 12 to 14 months before GST is implemented.
3) Relook at your banking, finance, mortgages and investments.
4) In all expenditure, cut back by 6%.
5) Consume when necessary, live simply, no impulse buys.
6) Cut on wastage, recycle or re-create.
7) Save on fuel, think before driving, carpool when possible.
8) Take advantage of discounts, bargains and good deals.
9) Stay home, read more, dine in and exercise in nature.
10) Instead of saving money, think of ways you can make more money.

IMPACT ON SECONDARY HOUSE MARKET

In general parlance, Bose says that buying properties is not called consumption but purchasing of commercial property is, under GST. "Properties are generally held as investments or as fixed assets in a business. Properties already suffer taxation under the Real Property Gains Tax (RPGT) Act and its rental income under the Income Tax Act. Any transfer and financial arrangement also incurs Stamp Duty. To levy 6% more on the buyer of commercial properties is truly inflating prices. The developer who is in the business to buy land and develop properties is required to collect an additional 6% from buyers of commercial properties," Bose says. "The removal of sales tax helps but the GST incurred on residential property has to be absorbed by the business enterprise. Will they ... or will they pass on the GST to consumers in terms of higher prices? We'll have to wait and see," he says.

However, in the secondary market, the owner of an existing commercial property will be wondering, if and when he sells his property, if he is required to collect the 6% GST from the buyer. To answer this question, Bose directs attention to the scope of charge of GST. He asks that we consider these four elements:

1) Is it a taxable supply? The answer is yes, if it is a commercial property.
2) Is it from a taxable person. Answer: We do not know but if the value of the asset is more than RM500,000, then it is.
3) Is it a supply in the course and furtherance of business? Answer: No, the property is held as an investment, deriving investment income. The owner does not deal in properties.
4) Is the supply in Malaysia ... the answer is yes.

"There are all the elements but it fails in the 'in the course or furtherance of business' test. Hence no GST should be applied," Bose feels. "Rental of commercial properties should also satisfy all the elements. One would assume that if an owner of commercial properties derives more than RM500,000 in rental income, that would constitute business. Anyway, a commercial property inherited and which fetches more than RM500,000 of rent, cannot be assumed as 'in the course and furtherance of business'. Many in the real estate industry are wondering if a person owns a commercial property worth more than RM500,000, if they should account for GST when they sell their investment property. The answer is by right, no. But there can be cases where a person repeatedly buys and sells properties. In this case, the Customs will have a case, considering the many transactions by the person, as an enterprise. Trading and dealing in properties is business in nature, the carrying on of an enterprise, and therefore meets all the elements which subject it to GST," Bose states.

QUESTIONS AND SOLUTIONS

The implementation of GST is expected to generate an additional revenue of RM21 billion towards national income. While every Malaysian, as consumers, will in some way or other be affected by this consumer's tax, Bose poses a question to the planners and thinkers in government: "Instead of looking for this extra RM21 billion, why not cut RM21 billion from the national budget? If circumstances demand that you plan an austerity drive, where would you cut your expenditure?" he asks the government. "Sound fiscal management is mandatory in that instance," says Bose.

Although it is the Year of the Sheep, we need to take the bull by the horns as it is the people who will have to bear the brunt and absorb the additional costs. Still, the mixture of zero-rated, exempt and standard-rated supply of goods and services will certainly cause a stir in the Malaysian stomachs come April 1, 2015.

Email your feedback and queries to: propertyqs@thesundaily.com

Australia's Salta opens office in KL

ONE of Australia's largest privately-owned property developers Salta Properties recently opened its first international representative office and showroom at Solaris Dutamas in Publika, Kuala Lumpur.

Committed to collaborate and engage with existing and potential Asean clients and investors, its managing director Sam Tarascio who was present at the official opening of the office, mentioned that the establishment of a set-up here was part of the company's long-term strategy to partner with foreign investors.

(From left): Salta Properties Residential Development GM Nicholas Golusin, MD Tarascio, senior development manager Michael Young, SEA sales GM Russell Cotton and marketing and sales manager Angie Frediani at the opening of Salta Properties' first international representative office and showroom here at Solaris Dutamas, Publika.

Briefly, Salta Properties was founded in 1972 by Sam Tarascio Snr. Today, the firm is one of Australia's largest family-owned enterprises. It is involved in businesses that span across property, construction, investment management and logistics services.

Under its property portfolio, the company has delivered iconic residential projects located in suburbs like East Melbourne, Toorak, Richmond, South Yarra and Abbotsford among others. These, past and present projects, worth more than AUD$4 (RM11.5) billion, include commercial, retail, industrial, infrastructure and mixed-use ventures. For more information, visit the company website.