

MATFA: Entertainment duty reduction encourages innovative growth in theme park sectors

By **Bernama** - October 31, 2023 @ 9:04am



(FILE PHOTO) Water theme park in Banting, Selangor. The reduction in entertainment duty rate from 25 per cent to five per cent for theme parks, family recreation and indoor game centres, as well as simulators, will encourage growth in these sectors with innovative and advanced technologies. -NSTP FILE/SAIFULLIZAN TAMADI

KUALA LUMPUR: The reduction in entertainment duty rate from 25 per cent to five per cent for theme parks, family recreation and indoor game centres, as well as simulators, will encourage growth in these sectors with innovative and advanced technologies.

Malaysian Association of Theme Parks and Family Attractions (MATFA) honorary chairman, Tan Sri Richard Koh, said the incentive encouraged reinvestment to upgrade new rides and attractions, as well as maintaining affordable reach for the community.

"People are always in demand for new innovation and improved means of leisure, especially theme parks, to get away from the daily routine of work stress and spend

quality time. Private developers have actually taken over the role of the local government in providing recreational activities for families.

"As in the past, the local government used to ask for a big budget from the federal government to build a recreation complex, such as a local swimming pool, for the people. State governments should focus on taxing other avenues rather than family recreation and entertainment," he said to Bernama.

Moreover, he said, the government should view theme parks as a solution for social, cultural, economic, and job opportunities and as one of the leading tourism developments for local and international tourists.

"We humbly request the federal government to take one step further and remove the import duty tax of 30 per cent for importing theme parks and attractions equipment and machines.

"This will be more effective as a total package to empower the sectors, as there are no local theme park ride manufacturers in Malaysia to protect the asset," he said.

In addition, Richard said the theme park industry should be recognised as a social obligation by the government by providing good infrastructure and not be associated with the outdated 1953 British Colonial Entertainment Tax Act.

"As we are even asked to apply for a police permit when applying for theme parks and leisure operators' licences, In conclusion, we are definitely in the wrong category under this 1953 Act.

Theme parks are 100 per cent family-oriented and should be encouraged to be tax-free, not double taxation on ticket admission and paying income tax," he said.

Meanwhile, private employee Aina Mastura Abd Khadir, 30, said the reduction in entertainment duty rate could be a catalyst to encourage more Malaysians to support local theme parks following the potential of a possible ticket price drop.

"The reason why most Malaysians are reluctant to visit theme parks, mainly the prominent ones, is because the price of the tickets is quite expensive. Added to the current economic challenges, it will be even more difficult for those with big families.

"With the introduction of this new package, I hope this effort could help the theme park operators financially, which resulted in a lower admission ticket price for visitors," she said.

Accordingly, 34-year-old civil servant Syed Akasyah, 34, said the government should consider making the theme park one of the focal locations in organising unity programmes to 'revive' the excitement at theme parks.

"The organisation of programmes such as 'Riadah Madani' in theme parks by offering low admission prices to the people is also seen as one of the best ways to encourage them to come and visit.

"It will also encourage the community to fill their free time with leisure activities, thereby increasing the value and spirit of unity in the country," he said. --BERNAMA