'Tax exemption will spur KL's entertainment scene'

Local performers optimistic of earning better income

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THE recent government announcement on exempting local live acts in Kuala Lumpur from entertainment tax has generated optimism among artistes, said Kuala Lumpur advisory board member Datuk Afdlin Shauki Aksan.

Afdlin, a professional comedian, was appointed as board member last July to advise Kuala Lumpur mayor Datuk Kamarulzaman Mat Salleh on matters related to the city's entertainment sector.

"I am confident that the capital city will see a surge in entertainment-related activities now.

"This will boost the economy and establish Kuala Lumpur as a hub for arts and entertainment.

"With the 25% entertainment tax abolished for local acts, I anticipate there will be more plays, shows and concerts.

"The exemption is one of the nicest surprises that came out of the unveiling of Budget 2024 last week.

"We (industry players) have been talking about this for a long time but it always fell on deaf ears, so it took us all by surprise when it was announced," said Afdlin.

He said the exemption would go a long way in helping Malaysian performers compete against international players.

Afdlin is confident KL will see a surge of entertainment activities by local artistes.

Hamdan says the RM20mil allocation to Think City will transform the city's landscape and create jobs.

"If the local performers were to pay the same amount as international acts, they would have already lost out even before starting out.

"Take a rock concert for example. Even before the show is staged, the artistes have to make an up-front payment of 25%.

"With the tax, they will see very little profit and sometimes no profit at all, so it is a struggle to make a living.

"Without the tax, they can perform with passion and be assured there will be some gain," he elaborated.

For Budget 2024, Prime Minister Datuk Seri Anwar Ibrahim had announced that the entertainment tax was reduced from 25% to 10% for international performances, with complete exemption for local performers.

The arts industry had long complained that the 25% entertainment tax was excessive.

"For now, the exemption is for the Federal Territories but I believe that Selangor will also follow suit.

"We hope that all the other states will do so too," said Afdlin.

Kuala Lumpur also received a boost from Budget 2024 in the form of a RM20mil allocation to Think City to develop tourist hubs in downtown Kuala Lumpur, such as Masjid Jamek and its surrounding areas.

Think City managing director Hamdan Abdul Majeed said in a press statement that he welcomed the announcement entrusting Think City to further elevate downtown Kuala Lumpur into a creative cultural hub.

"We will deepen our partnerships with local communities to collectively preserve, innovate and activate the city centre.

"This allocation will not only transform the city's landscape but also create job opportunities for its residents.

"Beyond physical development, it addresses the challenge of urban community decline.

"We hope to use the allocation to enhance quality of life and renew historical structures.

"In the long run, this will lead to broader social and economic progress, particularly in the retail, creative and tourism industries," said Hamdan.