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MVIA urges govt to review tax rate for vape e-liquids

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by **AUFA MARDHIAH**

LOCAL vape industry players are urging the government to review the new tax rate for vape e-liquids which will take effect starting January next year.

They argued that the tax increase will burden the industry players, thus resulting in the consumer to look for cheaper alternatives and may lead to the opening up of black market.

President of the Malaysian Vape Industry Advocacy (MVIA) Rizani Zakaria *(picture)* said: "In most countries, tax rates on vape e-liquids are low. For example, the tax rate in European countries is only between €0.10 and €0.20 (95sen) per ml. In fact, countries such as the UK and New Zealand do not tax vape products as it is recognised as a tool that can help smokers quit. Therefore, we urge the government to review the excise rate, so local players are not negatively impacted."

Rizani agreed that the new price is equivalent to the current retail price which is RM36 per 30ml bottle of vape e-liquid.

In addition, he also said that a regulatory framework is also a key component to ensure the industry remains competitive.

"The regulatory framework cannot be the same as tobacco and must take into account the impact on the local industry which consists of 3,300 small and medium enterprises and 15,000 employees," he added.