

Korea to expand fuel tax cuts amid soaring energy costs: ministry

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Finance Minister Choo Kyung-ho presides an emergency meeting of relevant ministers to discuss the country's economic situation, held at the Government Complex Seoul, Sunday. Yonhap

Korea plans to expand fuel tax cuts in July as part of efforts to ease inflationary pressure from surging energy costs, the finance minister said Sunday.

The government will expand tax cuts on fuel consumption to a legal cap of 37 percent from the current 30 percent, according to Finance Minister Choo Kyung-ho. The measure will be effective until the end of this year.

Korea is facing mounting inflationary pressure, as the protracted Russia-Ukraine war has jacked up crude oil and commodity prices. Demand-pull price pressure also rose due to the recovery in demand.

Korea's consumer prices jumped 5.4 percent on-year in May, the fastest rise in almost 14 years and a pickup from a 4.8 percent spike in April. (Yonhap)