

INDIRECT TAXES

1. Import Duties and Excise Duties Increase/Reduction/Abolition

a. Refrigerators, television sets and air-conditioners

To enable local manufacturers producing refrigerators, television sets and air-conditioners to compete with manufacturers from other ASEAN countries when the ASEAN Free Trade Area (AFTA) is implemented, excise duties on these products were abolished with effect from 4.00 p.m. October 23, 1998. Details of the items involved are given in Appendix I.

b. Cigarettes and other tobacco products and all types of alcoholic beverages

As part of the continuous effort of the Government to promote healthy life styles and reduce social ills, import duties and excise duties on various items stated in Appendices II and III were increased from 4.00 p.m. October 23, 1998.

2. Duty Exemption for Approved Sales Carnivals

To encourage the use of the National Sports Complex at Bukit Jalil, it is proposed that companies operating in the Free Industrial Zones or as Licenced Manufacturing Warehouse be granted import duty and sales tax exemption on goods sold by these companies during approved sales carnivals held in the complex.

The above proposal is effective from October 23, 1998.