

CNS7447

R GE 30-03 00199 EA561

aae tbe

MAHATHIR SAYS KELANTAN GOVERNMENT CANNOT DECIDE ON DUTY WAIVER

Mahathir-car

bm

ALOR SETAR, March 30 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said today that only the Federal government had the right to decide whether the Lamborghini Diablo imported by the Sultan of Kelantan can be given tax exemption.

Asked to comment on the issue of the Sultan driving off with the exotic car, on which duty amounting to \$2.1 million had not been paid, from the MAS Cargo Complex at the Kuala Lumpur International Airport in Subang last week, the Prime Minister said: "... this is not a state government right as only the central government can decide whether tax can be waived."

Dr Mahathir said the matter would not have attracted so much attention had the Kelantan government not defended the Sultan's action.

"Unfortunately, the Kelantan government has tried to defend something which is not right by claiming that the Kelantan government allows the Ruler to buy as many (luxury) cars as he wishes," he told reporters on arrival at the Sultan Abdul Halim airport here from Kuala Lumpur this afternoon. -- more

▼30/03/20-42MST

CNS7454

R GE 30-03 00201 EA562

aae tbe

Mahathir-car 2 Alor Setar

Dr Mahathir and his wife, Datuk Seri Datin Paduka Dr Siti Hasmah Mohd Ali, were here to break fast with the people at Masjid Kampung Bukit Tinggi, Kepala Batas.

Dr Mahathir said it was the Kelantan government's stand that stirred up the issue.

It generated further publicity when the Sultan made a statement, which he could have done on the advice of the state government, that the Malay Rulers were not bound by any code of ethics except that of the Quran and sunnah, he added.

The Prime Minister said if the Kelantan government was right in advising its Ruler that the only code of ethics for the Rulers was the Quran, "it clearly shows that the Ruler did not abide by the ethics."

It was because of this that the press commented on the matter and it was given further coverage when the press had to defend itself after being criticised, he added.

Asked if the issue had lowered the dignity of the Malay Rulers, Dr Mahathir said: "If a Ruler breaks the law, his dignity will be lowered." -- more

▼30/03/20-54MST

CNS7460

R GE 30-03 00206 EA563

aae tbe

Mahathir-car 3 Alor Setar

He said existing regulations on the matter were clear and what the Federal government did in connection with the issue was in accordance with the provisions of the law.

+It is an offence not to pay tax for the car and the action that can be taken is to impound it,+ he added.

Dr Mahathir said he was uncertain whether the Federal government would be able to take back the car from the Sultan if he refused to return it or is adamant in not wanting to pay the tax.

However, the issue could only be resolved by way of settling the duty, he added.

On the special allocation of Proton shares to the Sultan of Kelantan, he said there was no government policy to offer shares to the Rulers.

+However, some Rulers asked and we felt that if we were to give we should give to all the Rulers. It is because of this that the Sultan of Kelantan was offered although he did not ask. This shows the government's fairness in not differentiating whether a Ruler supports the government or not,+ he added. -- more

▼30/03/21-15MST

CNS7465

R GE 30-03 00190 EA564

aae tbe

Mahathir-car 4 (last) Alor Setar

On Lord President Tun Abdul Hamid Omar's statement that the Judicial Department was considering to set up a divisional court to help clear the backlog of High Court appeals pending before the Supreme Court, Dr Mahathir said the government would study whether this could speed up the disposal of cases.

Meanwhile, Dr Siti Hasmah, who is President of the Welfare Body of Wives of Ministers and Deputy Ministers (Bakti), presented cheques for \$2,000 each to the wife of Perlis Menteri Besar, Puan Ilham Hamid, and Kedah Deputy Welfare Director Abdul Rashid Ismail to help recent fire victims in Kuala Perlis and storm victims in Kubang Pasu district.

At the ceremony at her residence in Titi Gajah here, Dr Siti Hasmah also presented clothes, rice and milk to the poor from the Kuala Nerang area.

Also present were Kedah Menteri Besar Tan Sri Haji Osman Aroff and Perlis Menteri Besar Dr Abdul Hamid Pawanteh.

Dr Mahathir and Dr Siti Hasmah also went shopping at the Pekan Rabu business complex here. -- Bernama

▼30/03/21-29MST