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Palm oil Windfall Profit Levy Bill, 1998, tabled

THE Finance Ministry tabled the Windfall Profit Levy Bill, 1998, to facilitate the collection of levy on the production of crude palm and kernel oil.

Its parliamentary secretary Datuk Shafie Mohd Salleh said this was due to gains made when the Government introduced the currency exchange rate control. The imposition of the currency exchange rate control had resulted in higher profits for owners of oil palm estates.

Tabling the Bill, Shafie said that the extra profits gained by the owners and manufacturers were not due to their extra efforts.

He said based on the production volume of nine million metric tonnes annually, the Government expects to collect RM450 million in levies from this industry.

The levy collection had already been announced when Prime Minister Datuk Seri Dr Mahathir Mohamad, who is also the First Finance Minister, tabled the 1999 Budget on Oct 23.

Second Finance Minister Datuk Mustapa Mohamed when tabling next year's Budget at the Dewan Negara announced that levy would be imposed when crude palm oil hit the RM2,000 per metric tonne.

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