

Tax relief to save lorry operators RM100mil

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PETALING JAYA: Lorry operators who own articulated semi trailers will save a total of RM100mil annually from tax reductions of up to 50%.

In announcing this yesterday, Transport Ministry parliamentary secretary Datuk Donald Lim Siang Chai said implementation of the tax reduction began on Jan 1.

The incentive was following the Budget 2003 announcement by Finance Minister and Prime Minister Datuk Seri Dr Mahathir Mohamad last Sept 20.

Lim said the tax reduction was to enable operators to compete against their counterparts from neighbouring countries once the Asean Free Trade Area was implemented.

"We have replaced the old system with one that charges based on the gross combined weight. Those with 'green' (environment friendly) engines

will pay 50% (of what they were paying).

"But because of JPJ's streamlining of its computer system, the new rates will only begin on Feb 1 and those who have paid will get a refund," he said.

Articulated semi trailers are lorries with a prime mover and a trailer, which can be detached.

There are about 70,000 such vehicles in the country of which 20% have environment-friendly engines.

For articulated semi trailers with non-green engines, the exemption is now replaced with a new road tax charge based on gross combined weight of the vehicle (BDM), thus abolishing the previous calculation based on the kerb weight of the prime mover plus BDM.

For articulated semi trailers with green engines, a 50% discount is given while for semi trailers of the container vehicle, the levy of RM90 per semi trailer is abolished.