

e-CTIM No.179/2012

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TO ALL MEMBERS

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TECHNICAL

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## INDIRECT TAX

### **Customs Duties and Sales Tax Exemption for PETRONAS and company authorized by PETRONAS**

Petroleum Nasional Berhad (PETRONAS) and any company authorized by PETRONAS and approved by the Director General of Customs and Excise (DGCE) are exempted from payment of customs duty and sales tax on the following:

- i) Machinery, equipment, feedstock tanks, finish product tanks, spare parts and materials which will be used directly for the construction and maintenance of the plants in the RAPID complex;
- ii) Safety and environmental protection equipment used for the refinery and petrolchemical plants;
- iii) Raw materials and consumables used directly in the production activities of plants in the RAPID complex.

The exemptions are granted on condition that

- i) The goods are imported by the said companies as approved by the DGCE and shall not be sold or otherwise disposed of except after the payment of customs duty;
- ii) The said company shall keep such account of the goods imported and used, as required by the DGCE
- iii) The said company shall furnish every three months to the DGCE a return in such form and manner as the DGCE may prescribe;
- iv) Any company that has CJ5 facility before these Orders may continue to use the facility and not be bound by this clause. Those without CJ5 facility before these Orders will be bound by this clause.

The above exemptions are effected by way of [Customs Duties \(Exemption\) \(Amendment\) \(No.4\) Order 2012 \[P.U. \(A\) 428/2012\]](#) and [Sales Tax \(Exemption\) \(Amendment\) \(No.6\) Order 2012 \[P.U. \(A\) 429/2012\]](#) which amend *Customs Duties (Exemption) Order 1988 [P.U. (A) 410/1987]* and *Sales Tax (Exemption) Order 2008 [P.U (A) 91/2008]* respectively. Both the Orders [[P.U.\(A\) 428/2012](#) and [429/2012](#)] come into operation on 30 November 2012.

Members may view both the Orders at the official website of [Attorney-General's Chambers](#).

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