

Bush replaces US export tax break with fat perks for firms

AFP, Washington

US President George W. Bush on Friday repealed an internationally disputed export tax subsidy but lavished 140 billion dollars in new tax breaks on US corporations.

Bush signed the "American Jobs Creation Act of 2004", which repeals an export tax break for US corporations, ruled illegal by the World Trade Organization in January 2003, his spokesman said.

The new law, aimed at bringing an end to European Union trade sanctions, extends lavish new assistance for American companies valued at nearly 140 billion dollars over the next decade.

"This legislation will end the European sanctions on American exports, and it will help promote the competitiveness of American manufacturers and other job creators, and help create jobs here in America," Bush spokesman Scott McClellan said in Wilkes-Barre, Pennsylvania.

The old law flouted global trade rules by allowing US firms, operating through subsidiaries in offshore tax havens, to benefit from reduced

export taxes.

The new law represents a bigger boost for business, but the money is ploughed into domestic programs.

"This tips the scales of global competitiveness more in favor of American businesses. It'll do more to help to maintain and create jobs in the United States than any law in decades," said Senate finance committee chairman Charles Grassley, a Republican.

"The new law contains the biggest business tax reform package since 1986, the most comprehensive agricultural, small business and rural community tax incentive package ever written by a Congress, and the strongest crackdown on tax shelters since 1986."

In the biggest break of the new package, manufacturers get 76 billion dollars in the form of a three-percentage point tax cut.

But it is riddled with other giveaways, including a one-year tax holiday allowing US firms to repatriate foreign profit at a 5.25 percent rate instead of 35 percent and, to the Democrats' professed dismay, an item suspending 4.7 percent duties

on all imports of ceiling fans, many of which come from China.

The law is aimed at painlessly resolving a six-year dispute with the European Union over tax breaks for US companies with foreign operations such as Microsoft, IBM, Boeing and Caterpillar.

Grassley denied the new measures would inflate the budget deficit.

"The legislation provides all of these benefits, nearly 140 billion dollars worth, but doesn't add one dime to the federal deficit. It's all paid for by shutting down corporate expatriations to Bermuda, tax shelter leasing abuses, and ending all the Enron tax shelter deals," he said.

Special interests thanked Bush.

"We appreciate the commitment President Bush and members of Congress from both parties have demonstrated by helping to create a more competitive business environment in the US with this legislation," Electronic Industries Alliance president Dave McCurdy said in a statement.

In Brussels, European Trade Commissioner Pascal Lamy was not expected to comment before Monday.

The EU first challenged the US

export tax breaks at the Geneva-based WTO in 1997 on the grounds that they provided a de facto subsidy that gives US companies an unfair advantage over European rivals.

In March this year, after efforts to solve the dispute proved unsuccessful, the EU slapped an additional five-percent tariff on some US exports, including meat, nuclear reactor parts, toys and wood products. The punitive tariffs have been ratcheted up by one percentage point a month.

If continued until the end of the year, the duties would amount to more than 300 million dollars, well short of the four billion dollars in countermeasures the WTO had

proposed as "unscientific", Japanese officials said earlier.

"We presume that the imports will be resumed by July next year," a senior Japanese foreign ministry official told reporters after the meet-

Japan, US agree to resume beef trade

AFP, Tokyo

Japan reached a basic agreement with the United States Saturday to resume its imports of American beef, despite a mad cow disease scare, pending scientific studies to determine the age of cows.

Japan has already offered to exempt cows aged 20 months or younger from a 10-month-old ban, if highly risky parts such as brains and spinal cords are removed from them.

But, at three-day high-level talks which ended here Saturday, Japan refused to accept US proposals to verify the age of cows by probing the colour of flesh and the development of bone structure.

The Japanese side rejected the proposals as "unscientific", Japanese officials said earlier.

"We presume that the imports will be resumed by July next year," a senior Japanese foreign ministry official told reporters after the meet-

ing.

A joint press statement by the two governments said: "Further details of some conditions and modalities remain to be worked out by experts and working-level officials of both countries by the time of the actual resumption of trade."

"Experts of both countries will continue to consult on carcass grading and quality attributes with a view to verifying physiological age to evaluate carcasses to be 20 months of age or younger," the statement said.

Japan had initially insisted on testing all cows as a condition for lifting the ban, but the difficulty in detecting the disease in younger cows led Japan to back down.

Japan was the largest export market for US beef until December 2003, when Tokyo imposed a ban along with other countries on imports from the United States immediately after mad cow disease was discovered there.



PHOTO: ELECTRA INTERNATIONAL

Md Sanaullah Shahid, chairman of Electra International Limited, inaugurates a Samsung sales and display centre at Bashundhara City, a shopping mall on Panthapath in Dhaka. Md Mazurul Karim, manager (sales and marketing) of the company, was also present.



PHOTO: BASHUNDHARA GROUP

(From right) Deputy General Manager (Sales and Marketing) of Bashundhara Group Mojibur Rahman, Sr Executive Director Brig Gen (Retd) Mustafizur Rahman, General Manager M A K Eusufi and Deputy Manager Syedur Rahman are seen at the dealers' conference 2004 (Dhaka) of King Brand Cement, a product of Bashundhara Group, recently in Dhaka.

ReadyCash Raffle Draw Winners

The latest ReadyCash Raffle draw was held at ReadyCash Bangladesh office at Dhanmondi in Dhaka on Thursday, says a press release.

Prizes	Name of Winners	Card No
Sentra Travels and Tours free Dhaka Cox's Bazaar Dhaka Biman Ticket		K. H. Mahmud
50479801000000628		
System Information Technology Free Computer Learning Course	Sabina Yasmin	5047980000006989
Dirk.net free 100 hours Browsing	Md. Enamul Hoque	5047980000046500
You and Eye free Eye Test and glass	Siraj Uddin Ahmed	
5047980000048852		
FedEx free Shipment	K. M. Akkas Ali	5047980000054552
FedEx free Shipment	Md. Ziaul Haque	5047980000054512
FedEx Free Shipment	Abu Ali Hasnat Khan	5047980000054534
FedEx free Shipment	Mr. Jinnat Ali Khan	5047980000054536
Florence Food Free Gift Box	Abdul Bayes	5047980000054542
Florence Food Free Gift Box	Dr. Feroza Hossain	5047980000054483
Florence Food Free Gift Box	Tawfiq Ehsan	5047980000054486
Florence Food Free Gift Box	Md. Touhibur Rahman	5047980000054499

Winners can collect their prizes from the Executive, Promotion of ReadyCash with 30 days of this news circulation. ReadyCash encourages its cardholders to read The Daily Star and the Daily Prothom Alo on every Sunday for a new listing of card winner or call our Customer Service at: 8125294-7, 8130497 and 8123850.

Myanmar co signs oil deal with Sino-S'porean group

REUTERS, Yangon

State-owned Myanmar Oil and Gas Enterprise (MOGE) and a China-Singaporean consortium signed a production sharing contract for exploration of oil and gas, official media and sources said yesterday.

The Consortium comprises China National Offshore Oil Company (CNOOC) Myanmar Ltd of China, China Huanghai Contracting and Engineering Corporation of China and Golden Aaron Pte. Ltd of Singapore.

Under the contract signed on Friday, the signatories will cooperate to explore oil and gas at Block M, an onshore block covering about 7,760 square km (2,996 sq

mile) in Kyaukpyu Region, Rakhine State, in western Myanmar.

Official statistics show that Myanmar has a total of 87 trillion cubic feet of gas reserves and 3.2 billion barrels of recoverable crude oil reserves in the country's 19 onshore and major offshore oil and gas fields.

A total of 349845.75 MCF of gas and 7,165 million barrels of crude oil were produced in fiscal year 2003-2004 (April/March).

During that period, Myanmar earned \$673 million from the export of 200155.6 MCF of gas, while it imported \$274.33 million worth of refined oil and \$12.17 million worth of crude oil.

Bankwise lending rate	Percentage per annum	October, 2004	
Name of the Banks	Sub-category	Agriculture	
NCBs	1	2	3
1. SONALI	SC. 1	8.00	11.00
	SC. 2	9.00	10.50
2. JANATA	SC. 1	8.00	8.00
	SC. 2	11.00	10.00
3. AGRANI	SC. 1	8.00	9.00
	SC. 2	8.00	11.00
4. RUPALI	SC. 1	9.00	11.25
	SC. 2	10.50	11.50
DFIs			
5. BKB	SC. 1	8.00	8.00
	SC. 2	8.00	10.00
6. BSB	SC. 1	10.00	9.00
	SC. 2	11.00	11.00
7. RAKUB	SC. 1	8.00	10.00
	SC. 2	12.00	12.00
8. BSRS	SC. 1	11.00	10.00
	SC. 2	9.00	10.00
9. BASIC	SC. 1	9.00	9.50
	SC. 2	11.00	11.00
PCBs			
10. PUBALI	SC. 1	6.50	11.50
	SC. 2	8.50	-
11. UTTARA	SC. 1	10.00	12.00
	SC. 2	12.00	12.00
12. AB-BANK	SC. 1	9.50	12.50
	SC. 2	10.50	13.00
13. IFIC	SC. 1	10.00	13.50
	SC. 2	11.50	13.50
14. ISLAMI	SC. 1	8.00	12.50
	SC. 2	11.25	12.50
15. NBL	SC. 1	10.50	13.50
	SC. 2	11.00	13.00
16. THE CITY	SC. 1	11.50	13.50
	SC. 2	13.50	14.00
17. UCBL	SC. 1	10.00	13.00
	SC. 2	12.00	13.00
18. ORIENTAL	SC. 1	14.00	14.00
	SC. 2	13.50	14.00
19. EBL	SC. 1	11.50	12.50
	SC. 2	13.00	13.00
20. NCCBL	SC. 1	10.00	12.00
	SC. 2	10.00	12.00
21. PRIME	SC. 1	11.00	12.00
	SC. 2	12.50	12.50
22. SOUTHEAST	SC. 1	8.50	12.00
	SC. 2	10.50	12.00
23. DHAKA	SC. 1	7.00	11.50
	SC. 2	10.00	12.00
24. AL-ARAFAH	SC. 1	11.50	12.50
	SC. 2	11.50	12.50
25. SIBL	SC. 1	10.00	13.00
	SC. 2	10.50	12.00
26. DUTCH-BANGLA	SC. 1	9.00	10.50
	SC. 2	10.50	10.50
27. MERCANTILE	SC. 1	9.00	12.50
	SC. 2	12.50	12.50
28. ONE BANK	SC. 1	9.00	13.00
	SC. 2	12.00	13.00
29. EXIM	SC. 1	10.00	13.00
	SC. 2	13.00	13.00
30. PREMIER	SC. 1	11.50	12.50
	SC. 2	12.50	12.50
31. F. SECURITY	SC. 1	10.00	13.00
	SC. 2	12.50	13.00
32. STANDARD	SC. 1	9.00	13.50
	SC. 2	14.00	14.00
33. TRUST BANK	SC. 1	9.50	11.75
	SC. 2	10.50	11.75
34. MUTUAL TRUST	SC. 1	10.00	13.00
	SC. 2	12.00	13.00
35. BANK ASIA			