

PEMERKASA PLUS

("PROGRAM STRATEGIK MEMPERKASA RAKYAT DAN EKONOMI TAMBAHAN")

STIMULUS PACKAGE

With the total lockdown implemented from 1 June 2021 to 14 June 2021 due to the surge in COVID-19 infections, the Prime Minister has announced the 'PEMERKASA Plus' Stimulus Package valued at RM40 billion on 31 May 2021.

The PEMERKASA Plus is based on 3 main objectives, namely, enhancing public health capacity, the continuation of the "Agenda Prihatin Rakyat" and facilitating business continuity.

Below are a select few of the highlights and tax initiatives under the PEMERKASA Plus, including extension of a few measures previously announced under the preceding economic stimulus packages.

Wage Subsidy Programme (“WSP”)

- a) One-month extension of WSP under PERKESO for all affected economic sectors, with a limit of 500 employees for each application.

Rental reduction incentive

- b) Special tax deduction to building owners and owners of business premises who offer at least 30% rental discounts to SME and non-SME tenants will be available for another six more months until 31 December 2021.

Deferment of tax penalties

- c) The Inland Revenue Board (“IRB”) will consider appeals on penalties imposed upon them, and also consider a deferment on the payment of penalties to the year 2022 based on merits of a case. They will also consider applications for rescheduling the payment of outstanding tax for affected taxpayers and businesses.

Home Ownership Campaign

- d) Stamp duty exemption for the Home Ownership Campaign (“HOC”) which ended on 31 May 2021 will be extended until 31 December 2021.

Sales Tax

- e) Sales tax exemption period for passenger vehicles CKD and CBU import is extended until 31 December 2021.

Act 829

- f) The Temporary Measures for Reducing The Impact of Coronavirus Disease 2019 (COVID-19) 2020 (Act 829) will be improved to assist affected individuals and businesses. The relief period in relation to inability to perform contractual obligations will be extended to 31 December 2021.

Cash assistance, loan moratorium and other initiatives

- g) Additional Bantuan Prihatin Rakyat (“BPR”) as follows –
- RM500 for households with income below RM2,500
 - RM300 for households with income between RM2,501 and RM5,000
 - RM100 for bachelor group with income below RM2,500
- h) RM500 one-off special assistance for tour guides, taxi drivers, school bus drivers, tour bus drivers and rental car and e-hailing drivers.
- i) The B40 group and “rakyat” who have lost their jobs, as well as micro entrepreneurs and small and medium enterprises (“SMEs”) that were not allowed to operate during the Movement Control Order (“MCO”) are given the options to obtain approval for automatic 3-month loan moratorium or reduction in loan repayment of 50% for 6 months.
- j) Employers registered with the Human Resources Development Fund (“HRDF”) will be given exemption from paying the mandatory levy for 1 month in June 2021.
- k) Special Prihatin Grant for SMEs and micro-enterprises has been increased to RM1,500.
- l) Companies Commission of Malaysia (“CCM”) has agreed to reintroduce the extension of deadline for submission of financial statements, organizing of annual general meetings for listed companies on Bursa Malaysia and moratorium on penalties for late submission of statutory documents. The CCM would also waive the late payment fees for business licenses renewal of micro-enterprises, sole proprietorships and partnerships until 31 December 2021.

Further details will follow as and when they are made available

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