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Prihatin Rakyat Economic (PRE) Stimulus Package

RM 230 Billion





Economic Stimulus Packages – Covid19

Stimulus Packages	RM Billion
2020 Economic Stimulus	20
PRE-Stimulus	230
Prihatin SME+	10
Total	260

Allocation	RM Billion
2020 Economic Stimulus	20
Preserve Rakyat's welfare	128
Support businesses	110
Strengthen economy	2
Total	260

	RM Billion	RM Billion
2020 Economic Stimulus		
Direct fiscal injection	3.5	
Reduction in EPF contribution	10	
Additional bank loans	3.5	
Other sources	3	
Prihatin SME+	10	30
PRE Stimulus		
Direct fiscal injection	22	
Loans moratorium	100	
Government guarantees	55	
EPF withdrawals	40	
Other sources	13	230
TOTAL		260

PRIHATIN RAKYAT ECONOMIC (PRE) STIMULUS PACKAGE



On 27 March 2020, the Malaysian Government announced the Prihatin Rakyat Economic (PRE) Stimulus Package valued at RM230 billion to complement the 2020 Economic Stimulus Package valued at RM20 billion, announced on 27 February 2020.

Allocation of RM500 million to the Ministry of Health (MOH).
Additional RM1 billion to purchase equipment and services to contain Covid19, which includes obtaining medical expertise from private healthcare services.

Increased healthcare staff special allowance from RM400 to RM600 per month effective 1 April 2020 until the outbreak ends.

Extend special allowance of RM200 a month to military, police, customs, civil defence and RELA members who are directly involved in enforcing the Movement Control Order beginning 1 April 2020 until the outbreak ends.

RM8 million special fund will be created by the insurance and takaful industry to cover the costs for screening of up to RM300 per policy holder and takaful medical certificate to undergo the tests at private hospitals or laboratories, as instructed by MOH.



Prihatin Rakyat Economic Stimulus Package

PRE Stimulus Package

Ministry of Health Healthcare Staffs and Frontlines



Increase funds to the Special Relief Facility for SMEs by RM3 billion bringing the total to RM5 billion. In addition, the interest rate for the entire fund will be reduced from 3.75% to 3.5%.



Increase the size of the All Economic Sector Facility fund by RM1 billion to RM6.8 billion to enhance access to financing for SMEs.



Additional funds of RM500 million under Micro Credit Scheme to a total of RM700 million for soft loans at 2% interest rate with no collateral. Loan eligibility requirements relaxed to a minimum of 6 months of operations. Maximum financing is increased from RM50,000 to RM75,000 for each entrepreneur.



SMEs with business records of less than 4 years can also leverage the BizMula-i and BizWanita-i schemes for financing up to RM300,000 under the Credit Guarantee Malaysia Berhad.



Prihatin Rakyat Economic Stimulus Package

PRE Stimulus Package

Companies, Small Medium Enterprises

Including Micro- entrepreneurs (SMEs)

Employees Provident Fund will introduce the Employer Advisory Services Program on 15 April 2020. This service includes options for deferral of payments, restructuring and rescheduling of employer contributions.

Exempt payment for Human Resources Development Fund levy for all sectors for a period of six months beginning April 2020.

SMEs can postpone income tax instalment payments for a period of 3 months beginning 1 April 2020.

6-month moratorium will be extended to loans from Tekun Nasional, Majlis Amanah Rakyat (MARA) and cooperatives as well as other Government agencies providing financing to SMEs beginning 1 April 2020.



Prihatin Rakyat Economic Stimulus Package

PRE Stimulus Package

**Companies, Small
Medium Enterprises**

**Including Micro-
entrepreneurs
(SMEs)**

Syarikat Jaminan Pembiayaan Perniagaan will provide RM5 billion worth of guarantees and increase the guarantee coverage from 70% to 80% for SMEs that face difficulties in obtaining loans.

Government will provide RM50 billion guarantee scheme with a guarantee of up to 80% of the loan amount for the purpose of financing working capital requirement.

The minimum guaranteed loan size is RM20 million per business. This facility will be available for application from 1 May to 31 December 2020 or until the fund is fully utilised.

RM2 billion will be provided to small projects such as:

improving roads, upgrading dilapidated schools in Sabah and Sarawak, cleaning houses of worship and police stations, upgrading tourism facilities to benefit contractors from G1 to G4 class, infrastructure projects in Federal Land Development Authority (FELDA) and upgrading the Perumahan Rakyat Termiskin.



Prihatin Rakyat Economic Stimulus Package

PRE Stimulus Package

**Companies, Small
Medium Enterprises**

**Including Micro-
entrepreneurs
(SMEs)**

Bantuan Prihatin Nasional

A one-off cash assistance to individuals
An allocation of RM10 billion

Category	Income	Payment		Total
		First Payment April 2020	Second Payment May 2020	
Household	RM0 – RM4,000	RM1,000	RM600	RM1,600
	RM4,001 – RM8,000	RM500	RM500	RM1,000
Single	RM0 – RM2,000	RM500	RM300	RM800
	RM2,001 – RM4,000	RM250	RM250	RM500



**Prihatin Rakyat
Economic Stimulus
Package**

PRE Stimulus Package

Individuals

Students at various levels of tertiary education, including matriculation and community colleges, polytechnics as well as public and private higher learning institutions will receive RM200. The assistance involves an allocation of RM270 million.

Deferment payment for Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN) loan for 6-month period beginning 1 April 2020 to 30 September 2020.

Patients, including those infected with Covid19 can claim income replacement fee of RM50 per day for a maximum of 14 days.

For individuals who invest in Private Retirement Scheme, the Government will allow pre-retirement withdrawals from account B up to RM1,500 per member without any tax penalties between April and December 2020.

6-month rental exemption for those living in the Projek Perumahan Rakyat and Perumahan Awam. For the rent-to-own units, a 6-month moratorium is provided effective April 2020.



Prihatin Rakyat Economic Stimulus Package

PRE Stimulus Package

Individuals



RM600 per month to every employee for 3 months for workers earning less than RM4,000 and employers experiencing more than 50% decrease in their income since 1 January 2020.



6-month lease exemption on all premises owned by the Federal Government such as school canteens, nurseries, cafeterias, convenience stores and others.



Full-time e-hailing drivers will be received one off cash assistance of RM500 on April 2020.



Discount on electric consumption for 6 months beginning 1 April 2020
50% discount – consumption less than 200 kW
25% discount – consumption between 200 to 300 kW
15% discount – consumption between 301 to 600 kW



Prihatin Rakyat Economic Stimulus Package

PRE Stimulus Package

Individuals

Family takaful and insurance companies will offer a 3-month suspension on premiums by contributors whose source of income is affected by the pandemic.

Free internet to all customers with a value of RM600 million starting 1 April 2020 until the MCO ends.

Government will provide civil servants and government pensioners a one-off cash assistance of RM500 in April 2020.

RM1 billion for Food Security Fund and Government will continue to channel various assistance to farmers and fishermen, including agricultural inputs to increase domestic production.

Government will pay salaries to workers of service contractors (cleaning and food supply in schools, public higher learning and training institutions as well as other government agencies, including statutory bodies) during the Movement Control Order period.



Prihatin Rakyat Economic Stimulus Package

PRE Stimulus Package

Individuals



Inland Revenue Board Malaysia (IRB) Operations During Movement Control Order

- 1) Inland Revenue Board (IRB) offices will be closed from 18 March to 14 April 2020 In line with the Movement Control Order.
- 2) IRB has extended the dateline for submission of Tax Annual Return for Form E, BE, B, P, BT, M, MT, TF, TP and Form C for those with accounting period ending 31 July 2019, 31 August 2019, 30 September 2019, 31 October 2019 and 30 November 2019.
- 3) Application of PIN number for Individual can request via telephone to Hasil Care Line 03-8911 1000
- 4) For Bantuan Sara Hidup (BSH) can contact Hotline BSH (1- 800-88-2747) or through website <https://bsh.hasil.gov.my>.

Source: Inland Revenue Board



Inland Revenue Board - Extension of Datelines

File Type	Form Type	Category of Taxpayer	Due Date Submission According to Act	Grace Period (e-filing)
E	E/e-E	Company / Labuan Company Employers, NON-company / NON-Labuan Company Employers	31/3/2020	2 months (30/5/2020)
SG	BE/e-B/ m-BE	Resident Individuals who do not carry on business	30/4/2020	2 months (30/6/2020)
SG / OG	B/e-B	Resident Individuals who carry on business	30/6/2020	2 months (31/8/2020)
D	P/e-P	Partnerships	30/6/2020	2 months (31/8/2020)
SG / OG	BT/e-BT	Resident Individuals (Knowledge / Expert Workers)	Do NOT Carry On Business: 30 April 2020	2 months (30/6/2020) (31/8/2020)
	M/ e-M	Non-Resident Individual	Carry On Business: 30 June 2020	
	MT e-MT	Non-resident Individuals (Knowledge Workers)		
	TF /e-TF	Association		
	TP/ e-TP	Deceased Persons' Estate		
C	e-C	Companies with financial year ended 31 July 2019 31 August 2019 30 September 2019 31 October 2019 30 November 2019	7 months from the date following the close of the accounting period which constitutes the basis period for the year of assessment	2 months



Inland Revenue Board Malaysia (IRB)

Deferment of Tax Estimation

- 1) Business in the tourism industries such as travel agencies, hoteliers and airlines will be given a deferment of their monthly tax installment for six (6) months from 1 April 2020 to 30 September 2020.
- 2) Other businesses affected by current economics developments will be allowed to revise their monthly tax instalments earlier, on taxable amount due in the third month of instalments, should the third instalment fall in the year 2020.

Source: Inland Revenue Board



Royal Malaysia Customs Department (RMCD) Operations During Movement Control Order

- 1) All Customs service port operations, airports and national entrances continue to operate with minimal personnel and personnel strength.
- 2) Other operations are operating via online.
- 3) The dateline on sales and services tax form that due on 14/4/2020 will be extended to 30/4/2020. Submission via online is encourage.
- 4) Round Table Discussion will be postponed until further notice except for discussions held via online. The Round Table Discussion decision is subject to acceptance and validity of related documents.

Source: Royal Malaysia Customs Department



Companies Commission of Malaysia (CCM) Operations During Movement Control Order

- 1) CCM offices will be closed from 18 March to 14 April 2020 In line with the Movement Control Order.
- 2) Annual General Meeting (AGM)
 - Due to the Movement Control Order, Companies are required to comply with the directive including cancelling the notices of AGM's or seeking to hold AGM at later date.
 - Companies that has applied extension to hold its AGM before 17 March 2020 before the Government announcement on Movement Control Order will be processed when CCM reopens on 15 April 2020.
- 3) For Companies that did not submit the extension period to hold AGM before 17 March 2020 can submit application of extension of AGM beginning 15 April 2020.
- 4) Companies are required to lodge all statutory filings or notifications once CCM re-open on 15 April 2020. A moratorium period of two weeks will be given to take into consideration the period in which CCM offices are closed.

Source: Companies Commission of Malaysia

Guidelines for Covid19 in Workplace



1) Section 60F of the Employment Act 1955

Employer to provide health inspections by requiring employees to obtain medical examinations promptly by a medical officer on employer's expenditure.

Sick leave duration (without hospitalization)

14 days for employee who works for less than 2 years

18 days for employee who works more than 2 years to 5 years

22 days for employee who works more than 5 years

For workers who are given a quarantine order beyond the sick leave or hospitalization, eligibility period, employers are encouraged to provide additional remuneration to workers for the purpose of maintaining harmonious relations between the employee and the employer.

Source: Ministry of Human Resources

Guidelines for Covid19 in Workplace



2) Section 60E (1B) of the Employment Act 1955

Employees being given the Quarantine or Home Surveillance Orders and that employees on quarantine order should not be forced to use their annual leave entitlement for the quarantine period.

Employers may take reasonable steps to avoid the termination of employment as recommended in the Code of Conduct for Industrial Harmony.

The event of a business slow down that results in the employer taking action to reduce the workforce or termination of employment, employers should refer to the Termination Guidelines available at the JTKSM website.

Source: Ministry of Human Resources