



**ARRIS GROUP**

[www.arris-group.com](http://www.arris-group.com)

Wisma Chew & Co.  
No. 39, Jalan Kenari 17C,  
Bandar Puchong Jaya,  
47100 Puchong.  
Selangor, Malaysia.

Tel : +603 80763063  
[contact@arris-group.com](mailto:contact@arris-group.com)

***Prihatin SME  
Stimulus Package***

***RM 10 Billion***





# Economic Stimulus Packages – Covid19

| Stimulus Packages      | RM Billion |
|------------------------|------------|
| 2020 Economic Stimulus | 20         |
| PRE-Stimulus           | 230        |
| Prihatin SME+          | 10         |
| <b>Total</b>           | <b>260</b> |

| Allocation                | RM Billion |
|---------------------------|------------|
| 2020 Economic Stimulus    | 20         |
| Preserve Rakyat's welfare | 128        |
| Support businesses        | 110        |
| Strengthen economy        | 2          |
| <b>Total</b>              | <b>260</b> |

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



# PRIHATIN SME STIMULUS PACKAGE



On 6 April 2020, the Malaysian Government announced the Prihatin SME Stimulus Package for SMEs valued at RM10 billion.

This Stimulus Package complements the 2 announced earlier:

- Prihatin Rakyat Economic (PRE) Stimulus Package valued at RM230 billion, announced on 27 March 2020
- 2020 Economic Stimulus Package valued at RM20 billion, announced on 27 February 2020

# Enhancement of Wage Subsidy Programme



- ❑ Allocation for the Enhancement of Wage Subsidy Programme is expanded from RM5.9 billion to RM13.8 billion.
- ❑ All companies with local employees earning a monthly salary each of RM4,000 and below will receive wage subsidies as follows:
  - **More than 200 employees:** RM600 subsidy per employee and the number of workers eligible for subsidy is increased from 100 to 200
  - **Between 76 to 200 employees:** RM800 subsidy per employee
  - **Up to 75 employees:** RM1,200 subsidy per employee
- ❑ The assistance is for a 3-month period for employers registered with the Companies Commission of Malaysia or local authorities before 1 January 2020 and are registered with the Social Security Organisation.
- ❑ Employers are required to retain their employees for at least a period of 6 months, that is 3 months during the period of receipt of the subsidy and 3 months thereafter.

# Waiver or reduction of rental for premises & Tax deduction thereof

- ❑ Private premises owners are encouraged to waive or reduce rental during the Movement Control Order period, up to 3 months after the MCO ends.
- ❑ They will be given tax deduction which is equivalent to the amount of rental waiver or reduction for the months of April until June 2020.
- ❑ The tax deduction is subject to the condition that the rental reduction is at least 30% of the original rental rate for the period.
- ❑ Government-Linked Companies such as MARA, PETRONAS, PNB, PLUS and UDA as well as some State Government companies have agreed to waive or reduce rental on their premises, especially for SME retailers.





# Special grant to micro-SMEs & Additional assistance under Micro Credit Scheme

- ❑ A grant of RM3,000 will be provided to each micro SME company.
- ❑ To enjoy the grant, the micro SMEs must register with the Inland Revenue Board of Malaysia.
- ❑ The Government urge the registered money lenders who offer credit facilities under the Money Lenders Act 1951, to provide moratoriums to SMEs for loan repayments for a period of 6 months beginning April 2020.
- ❑ The Government will abolish the 2% interest rate for the RM500 million Micro Credit Scheme under Bank Simpanan Nasional (BSN).
- ❑ The Micro Credit Scheme for micro-SMEs is also extended to loans under TEKUN Nasional with a maximum borrowing of RM10,000 per micro-SME at 0% interest.
- ❑ Applicants can only choose from one of these schemes - either under BSN or TEKUN Nasional.



# Levy reduction on foreign employees permits & Negotiation on employment agreements

- ❑ 25% reduction in foreign employee's levy payments is given for work permits expiring between the period of 1 April 2020 and 31 December 2020.
- ❑ This reduction in levy does not apply to domestic helpers.
- ❑ The Government encourages employers to actively engage with their employees on employment terms including the options of pay cuts and unpaid leave during the Movement Control Order period.
- ❑ Employers and employees may refer to the Department of Labour to seek advice on solutions for issues raised.
- ❑ Any negotiations should be subjected to employment laws currently being enforced.

# Extended of time for submission of statutory documents

- ❑ The Government has agreed to grant an automatic 30-day moratorium from the date of Movement Control Order ends for companies to lodge their statutory documents to the Companies Commission of Malaysia.
- ❑ 3-month extension will also be granted for the lodgement of financial statements for companies with financial year ended 30 September to 31 December 2019.
- ❑ Companies are required to apply to Companies Commission of Malaysia for this extension with no fees imposed.

