



HSS ADVISORY SDN BHD
(722956-M)

Tax & Business Advisors

PERLINDUNGAN EKONOMI & RAKYAT MALAYSIA (PERMAI) ASSISTANCE PACKAGE

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Prepared by: HSS Advisory Sdn Bhd

How much is the additional relief worth?

- This relief is valued at RM 15 billion.
- 22 initiative will be carried out under **PERMAI** based on 3 goals:-
 - a) Combating the COVID-19 Outbreak;
 - b) Safeguarding the Welfare of the People; and
 - c) Supporting the Business Continuity.



Combating the Covid-19 Outbreak

1. RM 1 billion has been allocated in which RM 800 million is for the Ministry of Health and the balance for the National Security Council and other relevant agencies.
2. The allocation focuses on supplies. Eg. Additional reagents, screening kits, PPE equipments for healthcare frontliners.



Implementing the COVID-19 Vaccination Programme

1. The government has signed 3 agreements with vaccine producers and the **first batch of vaccine** is expected to be **received by end of February 2021**.
2. A total of RM 3 billion has been allocated for this programme.
3. The vaccination will be implemented for period of 12 months.
4. Malaysia is expected to vaccinate **more than 80% of its population or approximately 27 million people** by first quarter of 2022.



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Stepping up Testing of Employees

1. SOCSO is involved in the COVID-19 Screening Test Programme on registered foreign workers.
2. The cost of screening will be **fully borne by SOCSO** in **red zones** to identify possible COVID-19 clusters at workplace.



Stepping up Testing of Employees

3. To support more individuals to do COVID-19 screening and detection tests privately, the scope for tax relief relating to health screening expenses, which was increased from RM 500 to RM 1,000 in Budget 2021, has **now been expanded to also include COVID-19 screening.**



Safeguarding the Rakyat's Welfare

1. Under the KITA PRIHATIN package introduced last year, the final payment of the Bantuan Prihatin National or BPN 2.0 will be brought forward from 21 January 2021 onwards.
2. **Household earning RM 5,000 per month and below will receive RM 300 each while those under single category earning RM 2,000 and below will receive RM 150.**

Strengthening Welfare Programmes

1. The Government has increased the monthly rate of welfare assistance which involves an allocation of RM 2.2 billion and will benefit more than 400,000 recipients.
2. Social Welfare Department (JKM) will also implement a **Food Basket Programme** which **provides essential food items worth RM 100** for each **eligible household** involving a total allocation of RM 50 million.





Strengthening Welfare Programmes

3. An allocation of **RM 25 million** under the GLIC/ GLC Disaster Relief Network programme as a **matching grant** with these companies for social initiatives. *This includes provision of community assistance, including elderly, homeless, disabled and flood victims.*
4. **Tax deductions are eligible for donors** for those who have been **assisting in cash and kind** to those impacted by pandemic. **Tax deduction** are given **based on their gross business income or aggregate income**



Targeted Loan Repayment Assistance (TRA) : Loan Moratorium

- The assistance in the form of moratorium and reduction of loan repayment instalments **will continue**.
- The moratorium facility includes **extension of moratorium** and **restructuring of loan repayment** will continue to be offered by banks



Enhancing the EPF i-Sinar Programme

1. To further enhance the i-Sinar facility, especially for those facing challenges due to the MCO and floods, **EPF will provide an advance of up to RM 1,000** from the amount applied under the i-Sinar Category 2 facility.
2. **The withdrawal process for i-Sinar has also been simplified** as members need only to provide a self-declaration that they meet the prescribed criteria and submit documents via online.

Extending the Special Tax Relief on Purchase of Mobile Phones, Computers and Tablets

- The **special tax relief of up to RM 2,500** on the purchase of mobile phones, computers and tablets which expired on 31 December 2020, **will be extended for another year until end of 2021.**





Extending the Provision of Free Internet Access

- The **provision of free 1 GB data** has been offered to the public to browse websites including for educational purposes.
- The RM 500 million facility will be extended until end of April 2021.
- A **special subscription package** for students who are sitting for SPM and STPM will be **extended to all students of higher learning institutions.**



Extending the Sales Tax Exemption on Passenger Vehicles

- **Sales tax exemption** for locally assembled and imported passenger vehicles till 31 December 2020 will be extended until 30 June 2021.



Extension of Moratorium Period for PTPTN Borrowers

- Application for deferment of PTPTN loan repayment (3 months deferment) is eligible for those PTPTN borrowers affected by the COVID-19 pandemic or floods.





Wages Subsidy Programme 3.0

- Companies operating in the MCO states will be eligible to apply for one month wage subsidy of RM600 for each of their employee earning less than RM4,000, irrespective of sector.
- RM24 million has been allocated by the Government to fund the full contribution under SOCSO's Self-Employment Social Security Scheme.



**WAGE
SUBSIDY
PROGRAMME**

Sistem Insurans Pekerjaan (SIP) Prihatin

- The PERMAI Packages has relaxed the conditions of SIP PRIHATIN for those who lost their jobs during the Movement Control Order.
- For those who **previously had failed** to apply for SIP PRIHATIN due to requirements not met **is eligible to apply for SIP PRIHATIN assistance of 30% of their monthly salary** for a period of 3 months.

Continuing the PRIHATIN Special Grant

- Expand the PRIHATIN Special Grant Plus assistance to cover 500,000 SMEs in the seven MCO states with a payment of **RM1,000** each, while 300,000 SMEs in other states will receive **RM500** each.



Providing One-Off Financial Assistance to Taxi and Bus Drivers

- Provide **one-off** financial assistance of **RM500** to 14,000 tourist guides as well as 118,000 drivers of taxis, school buses, tour buses, rental cars and e-hailing vehicles, with an additional allocation of **RM66 million**.





Accelerating the Implementation of Microcredit Schemes

The implementation of RM1 billion microcredit facilities include soft loans amounting to RM390 million by Bank Simpanan Nasional, RM350 million by Agrobank and RM295 million by TEKUN



To assist the cash flow of micro-enterprises and SMEs

Supporting and Boosting Business Online

- Allocation of **RM 300 million** to implement SME and Micro SME e-Commerce Campaign and Shop Malaysia Online campaign.
- Provide business coaching and on-boarding onto e-commerce platforms.



Enhancing the Danajamin PRIHATIN Guarantee Scheme

- Government will enhance the support for private sector's growth and boost the country's economy by:
 - 1 Increase the maximum financing from **RM500 million to RM1 billion**;
 - 2 Expand the scope of financing to cover working capital with a **guarantee period of up to 10 years**; and
 - 3 Allow **foreign-owned companies operating in Malaysia** to also obtain the SJPD guarantee provided that **Malaysian employees account for at least 75% of their workforce**.



Special Tax Deduction on Rental Reduction

- The Government has given a special tax deduction to any company which provides **rental reduction of at least 30%** from original rent rate to SMEs business tenant from 1 April 2020 to 31 March 2021.
- Due to the current economic conditions, this special deduction will be **expanded to cover the rental reduction also given to non-SMEs.**
- The period will also be extended until **30 June 2021**



Continuity Electricity Bill Discounts

- The government agreed to provide a 10% discount on electricity bills from January to March 2021 to 6 business sectors namely hotel operators, theme parks, convention centres, shopping malls, local airlines offices as travel and tour agencies.
- Furthermore, **electricity rebates** will be given to all TNB users, domestic and non-domestic at **2 sen per kWh**, which is equivalent to reduction in electricity bills of up to 9% for a period of 6 months from January to June 2021.

Extending Temporary Measures for Reducing the Impact of COVID-19 Act 2020

- The original effective period covering inability to perform contractual obligations under the Act expired on 31 December 2020.
- Based on current situation and the MCO announcement, the government agreed to **extend the effective period of inability to perform contractual obligations to 31st March 2021.**
- This includes hire purchase or lease contracts and credit sales contracts for those who are unable to meet their contractual obligations.



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