

PENJANA
- Short-Term Economic Recovery Plan (ERP)

6 June 2020



**MAKING AN
IMPACT THAT
MATTERS**
since 1845

Foreword

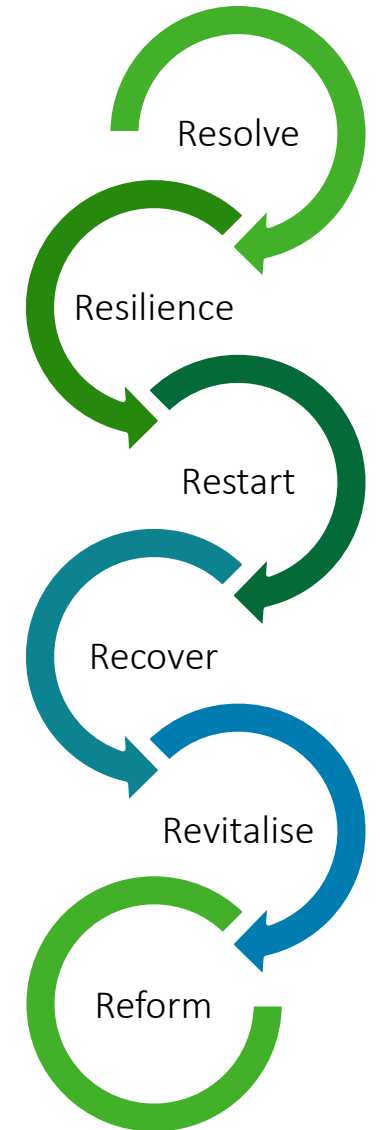
The announcement of the RM35 billion stimulus package titled “Pelan Jana Semula Ekonomi Negara” or “PENJANA” is primarily aimed at helping businesses recover from the impact of COVID-19. This is the 4th economic stimulus package bringing the total value to-date to RM295 billion. PENJANA is the 4th of the six-phased approach, i.e. Resolve, Resilience, Restart, Recover, Revitalise and Reform, in tackling the challenges arising from the COVID-19 pandemic.

Overall, PENJANA is targeted and focused towards protecting jobs, empowering businesses especially the SMEs, and ensuring Malaysia takes advantage of new opportunities arising from the pandemic, such as attracting foreign investments that are looking to relocate part of its businesses.

Some of the bold measures introduced are generous tax incentives for foreign companies in the manufacturing sector to relocate their businesses into Malaysia, the setting up of the Dana Penjana Nasional to accelerate digitalisation efforts by Malaysian businesses, and the Technology Innovation Sandbox to encourage innovation and creativity.

While the country navigates itself through the Recovery phase, the Prime Minister emphasised on the importance of everyone being part of this journey. Let’s continue to fight COVID-19 and together, we will emerge stronger.

Stay well & safe everyone!





Tax-Related Measures

1. Tax exemption for purchase of passenger cars

Incentives granted to stimulate the automotive sector and provide financial relief to car buyers:

- Full sales tax exemption on locally assembled cars
- 50% sales tax exemption on imported cars

Effective: Mid June to 31 December 2020

Our commentary:

The sales tax exemption would apply on the sale price by the manufacturer on CKD vehicles and on the import value of CBU vehicles. Some critical considerations include: whether the Government would provide some transitional concessions (i.e. refunds of sales tax that has already been paid) for unsold stock that is currently sitting with distributors, or if there is an expectation that the price of these vehicles would need to be reduced. It is important to note that no exemptions for excise duty have been announced, and so excise duty would still be included in the price of these vehicles.

2. Remission of penalty

To ease financial stress on businesses, a 50% remission of penalty for late payment of sales tax & service tax due and payable from 1 July 2020 to 30 September 2020 will be granted.

Our commentary:

This eases the burden for taxpayers who have sales tax and service tax filing and payment obligations who have failed to comply due to the current economic climate. However, late payment penalties can be still quite significant ranging from 10% to 30% of the underpaid tax amounts. To ease the burden further, the Government may consider allowing taxpayers to pay tax by instalments and provide full penalty waivers if evidence of economic hardship can be shown.



Tax-Related Measures (cont'd)

3. Service tax and tourism tax exemption for hotels

The existing service tax exemption for hotels will be extended to 30 June 2021, and a new exemption for tourism tax from 1 July 2020 to 30 June 2021 has been introduced.

Our commentary:

These exemptions are consistent with the other policy decisions announced to encourage tourism. Exemption of both tourism tax and service tax will reduce the cost of hotel stays for both local and foreign travellers and can hopefully encourage more tourism over the next twelve months.

4. Export duty exemption

A 100% export duty exemption from 1 July 2020 to 31 December 2020 is granted to support the commodity sector:

- Crude palm oil
- Crude palm kernel oil
- Refined bleached deodorized palm kernel oil

Our commentary:

Export duty on these products can range anywhere from 0% to 30% depending on the value per tonne. The removal of this export duty will reduce the price of Malaysia's palm oil on the export market, and provides a much needed boost to the industry.



Tax-Related Measures (cont'd)

5. ACA for machinery and equipment including ICT equipment

To incentivise businesses to undertake investments in 2020, it was announced that Accelerated Capital Allowance (ACA) will be given for qualifying capital expenditure incurred on machinery and equipment, including Information and Communications Technology (ICT) equipment. Such ACA can be claimed within a two year period at the following rates:

Initial allowance – 20%

Annual allowance – 40%

It was announced in the earlier Economic Stimulus Package that ACA will be given to capital expenditure incurred between 1 March 2020 and 31 December 2020. It has now been extended to 31 December 2021.

6. Special tax deduction on costs of renovation and refurbishment

To encourage businesses to undertake renovation and refurbishment in readiness of the subsequent upturn in the economy, cost of renovation and refurbishment of business premises of up to RM300,000 will be given a tax deduction. This tax deduction does not apply to expenditure which has been given an allowance under Schedule 2 or Schedule 3 of the ITA.

The above special tax deduction originally applicable to renovation or refurbishment expenditure incurred between 1 March 2020 and 31 December 2020 is now extended to 31 December 2021.



Tax-Related Measures (cont'd)

7. Tax deduction on reduction or waiver of rental

It was announced in the earlier Stimulus Package that tax deduction will be given to landlords who reduce / waive at least 30% of gross rental from April to June 2020 on premises rented to tenants who are SMEs and the premises are used for the purpose of their business. It is now announced that the deduction will be extended to 30 September 2020.

Our commentary:

Rental is an expenditure for most businesses. Thus, this special tax deduction should be made available to the landlord even though the tenant is not an SME. Alternatively, a double tax deduction could be given to tenants on the rental expense incurred as the cash savings can be channelled towards business continuity and staff retention.

8. Uplifting of financial limit for third housing loans

The existing financing limit of 70% margin on housing loan for third (3rd) residential property valued at RM 600,000 and above will be lifted.

9. Exemption of Real Property Gains Tax ("RPGT") for disposal of residential property

Gains arising from disposal of residential properties by Malaysian citizens between 1 June 2020 to 31 December 2021 will be exempted from RPGT. Such exemption is given up to three (3) residential properties per individual.

Our commentary:

Currently, the applicable RPGT rates for Malaysian citizens and permanent residents range from 5% to 30% depending on the holding period. Based on the announcement, it appears that the current exemption is only given to Malaysian citizens.



Tax-Related Measures (cont'd)

10. Exemption of Stamp Duty (“SD”) on acquisition of residential property

Home Ownership Campaign (HOC) will be reintroduced. Under this campaign, the following SD exemption will be given:

- On the instruments of transfer – on the first RM1million of the residential property value;
- On the loan agreement – full exemption

The conditions for exemption are:

- The residential properties must be valued between RM 300,000 and RM 2,500,000
- The sales and purchase agreement (SPA) must be executed between 1 June 2020 and 31 May 2021
- Property developer participating in this HOC must provide at least 10% discount for the property

Our commentary:

Currently, SD exemption of RM 5,000 and RM 1,500 are given to respective instrument of transfer and loan agreement for acquisition of first residential property valued between RM 300,001 and RM 500,000 by Malaysian citizen on SPA executed between 1 July 2019 to 31 December 2020.

The announced incentive is an enhanced incentive which will help ease the challenges faced by developers during this difficult time and to provide financial relief to buyers.



Tax-Related Measures (cont'd)

11. Tax relief for COVID-19 related expenses

To encourage businesses to adapt to the new norm and adhere to SOPs, the Government will extend the period and expand the scope of expenses allowed as tax deduction or capital allowance for COVID-19's prevention. This includes the cost of personal protective equipment, COVID-19 screening test and thermal scanners.

Effective: Immediately

***Our commentary:** Whether or not due to the outbreak of COVID-19, expenses incurred by a company in providing occupational safety and health equipment / disposables (e.g. safety helmet, face mask, hand sanitizer, hand soap, thermal scanners, etc.) to its employees should qualify for either a deduction under subsection 33(1) of the ITA or capital allowance. A similar measure was announced in the 1st stimulus package made on 27 February 2020.*

12. Flexible work arrangement incentives

To sustain the new normal of work-from-home, the Government will support employers and employees with the following:

- Further tax deduction for employers which implement Flexible Work Arrangements (FWAs) or undertake enhancement of their existing FWAs [Effective: 1 July 2020]
- Individual income tax exemption of up to RM5,000 to an employee who receives a handphone, notebook & tablet from his or her employer [Effective: 1 July 2020]
- Special individual income tax relief of up to RM2,500 on the purchase of handphone, notebook & tablet [Effective: 1 June 2020]

With an increasing number of Malaysians working from home, SOCSO will also provide coverage for workers who are involved in accidents while working at home under the Employment Injury Scheme. [Effective: Beginning June 2020]

Our commentary:

This is on top of the existing lifestyle tax relief of RM2,500 that is applicable to similar purchases as well as other items such as reading materials, sports equipment and broadband subscriptions. *Under the P. U. (A) 134, a double deduction is given on consultation fee and training costs incurred to implement FWA and it shall be for a period of 3 consecutive years of assessment commencing from the year of assessment in the basis period in which the certification is given by Talent Corporation Malaysia Berhad. We expect more details to be provided on the type of qualifying expenses for the double deduction.*



Tax-Related Measures (cont'd)

13. Tourism sector support

To support the tourism sector during the COVID-19 period, the following tax incentives are provided:

(a) Extension of period for income tax relief of RM1,000 for domestic tourism expenses to 31 December 2021

To promote domestic tourism, the personal income tax relief of up to RM1,000 for expenses incurred on domestic travel between 1 March 2020 and 31 August 2020 (announced under the Economic Stimulus Package 2020) will be extended to 31 December 2021.

Note: Under the Economic Stimulus Package 2020 announcement, the type of expenses are limited to (a) accommodation expenses at premises registered with MOTAC; and (b) entrance fees to tourist attractions.

Effective: 1 March 2020 to 31 December 2021

(b) Extension of period for deferment of income tax instalment payment for tourism industry to 31 December 2020

For businesses under the tourism industry (e.g. agencies tourism, hotel operators and airlines), the deferment of income tax instalment payments on estimated tax due in the period of 1 April 2020 to 30 September 2020 will be extended for another 3 months, i.e. such deferment of income tax instalment payments is also applicable for the period of 1 October 2020 to 31 December 2020.

Effective: 1 October 2020 to 31 December 2020



Tax-Related Measures (cont'd)

14. Malaysia as an attractive horizon for businesses

To attract foreign companies to relocate their business into Malaysia by addressing the risk of re-shoring, the Government will grant the following incentives:

- a) 0% tax rate for 10 years for company in manufacturing sector with new investment in fixed assets between RM300 million and RM500 million.
- b) 0% tax rate for 15 years for company in manufacturing sector with new investment in fixed assets exceeding RM500 million.
- c) 100% investment tax allowance for 5 years for existing company in Malaysia relocating its overseas manufacturing facilities into Malaysia with investment in fixed assets exceeding RM300 million.
- d) Special reinvestment allowance for manufacturing and selected agriculture activity from YA 2020 to YA 2021.
- e) Domestic investment strategic fund be granted a second round of projects for companies that have previously been eligible for the facility in order to assist companies in upgrading their technologies, penetrate the global market through outsourcing, and increase their export value.

Among others, the conditions for the incentives in items 1 and 2 above are that the company must relocate and commence its operation in Malaysia within one year from the date of approval and the investment amount must be made within three years.

The above incentive is effective for application made to MIDA (items 1-3 & 5) / IRB (item 4) from July 2020 to December 2021.

Our commentary:

These measures are crucial and timely to encourage foreign investments in the current economic climate, where tax costs can be a key consideration in selecting a location for investment. The condition to require the new investments to commence operations within 1 year from the approval date and putting a 3-year cap on the time frame for capital investment is a good move as this will accelerate the implementation of approved projects.



Tax-Related Measures (cont'd)

15. Incentives to spur the establishment of new businesses

To encourage the establishment of new businesses, the following incentives will be granted:-

- a) Income tax rebate up to RM20,000 per year for first 3 years of assessment for SME incorporated and commenced operation between 1 July 2020 and 31 December 2021; and
- b) Stamp Duty (SD) exemption for SMEs on instruments executed for Mergers and Acquisition (M&A) completed between 1 July 2020 and 30 June 2021 (“period”).

Our commentary:

The stamp duty exemption given to SMEs for M&As will encourage SMEs to build scale and capacity. While the focus is understandably on SMEs, the current crisis has also forced larger companies to restructure to be more agile, efficient, and competitive. In this regard, the stamp duty exemption should apply to all businesses and not be limited to SMEs. In addition to stamp duty exemption, a Real Property Gains Tax (RPGT) exemption should be introduced as RPGT cost may arise in many M & A activities or restructuring projects.



Other Measures

16. PENJANA SME Financing - Low financing interest rate of 3.5%

As a result of the COVID-19 pandemic and the conditional/ movement control order, Malaysian SMEs have been significantly impacted.

To assist SMEs in sustaining business operations, the banking sector will offer an additional RM2 billion of funding to SMEs impacted by COVID-19 at a concessionary interest rate of 3.5%. This financing facility will be made available to the SMEs in mid-June 2020, with a maximum loan size of RM500,000 per SME.

Our commentary:

This is an encouraging measure in easing the cash flow issue of SMEs.

17. PENJANA Tourism Financing - RM 1 billion funding facility

The tourism sector is one of the hardest hit sectors in Malaysia. In the era of the new normal, tourism players will need to adopt transformation initiatives to remain viable and competitive.

To aid the tourism sector, a RM1 billion PENJANA Tourism Financing facility will be made available to finance the transformation initiatives by SMEs in the tourism sector. The Government will announce the details of the fund in July 2020.

Our commentary:

COVID-19 would have the most prolonged impact on the tourism sector. Apart from easing the cash flow issue in the tourism sector, this measure will encourage the tourism players to reinvent their business model, and relook at the trends and style of things they can offer to customers.



Other Measures (con'd)

18. Proposed COVID-19 Temporary Measures Act

To mitigate the potential negative impact on economic activities caused by contractual breaches and enforcement of insolvency actions on groups affected by COVID-19 and the Movement Control Order (MCO), the Government will be introducing the COVID-19 Temporary Measures Act. The bill will provide relief from certain contractual obligations and financial distress for relevant parties (such as manufacturers, tenants, etc.) in order to provide support for these businesses.

Effective: To be tabled during July 2020 Parliament session

19. Gig economy social protection and skilling

The Government will facilitate policies to support the growth of the gig economy and the welfare of gig economy workers through:

- A matching grant of up to RM50 million for gig economy platforms which contribute for their gig workers towards PERKESO's employment injury scheme of up to RM162 and EPF's i-Saraan contribution of up to RM250 yearly
- Provide MDEC with RM25 million for the Global Online Workforce (GLOW) program which will train Malaysians to earn income from serving international clients while working online from home

Effective: Beginning August 2020



Other Measures (con'd)

20. PENJANA Microfinancing - Low financing interest rate of 3.5%

To support micro enterprises, the Government has proposed a dedicated funding support (total fund size of RM400 million) for micro enterprises at an interest rate of 3.5%, beginning June 2020.

The aggregated approved financing will be capped at RM50,000 per enterprise. Specifically, RM50 million is earmarked for women entrepreneurs.

***Our commentary:** Apart from the SMEs, micro enterprises are among the hardest hit following the implementation of conditional/ movement control order. Hence, this measure will alleviate the cash flow issue of micro enterprises.*

21. Bumiputera relief financing

To support Syariah-compliant Bumiputera entrepreneurs, the Government proposed to provide RM200 million dedicated financial assistance for Bumiputera-owned Shariah compliant businesses via the funding of:

- Working capital
- Operational expenditure
- System automation
- Equipment and expenditure to implement social distancing practices
- Financing of RM100,000 – RM1 million for up to 5 years at 3.5% p.a.

In addition, the Government will allocate RM300 million working capital loans to assist affected Bumiputera entrepreneurs with a maximum loan amount of RM1 million at 3.5% interest rate p.a.

***Our commentary:** This measure will ease the cash flow issue of Bumiputera entrepreneurs and help boost their business operations.*



Other Measures (con'd)

22. SME Go-Scheme for liquidity support

In Malaysia, the construction sector has been badly hit by the pandemic. They are also subject to stringent Site Operating Procedures when resuming work under the current conditional movement control order.

Effective July 2020, SME Bank will provide financing support (total fund size of RM1.6 billion) to contractors and vendors (who are awarded with small government projects under the Pakej Rangsangan Ekonomi 2020) and the PRIHATIN stimulus package.

The financing support does not require any deposit / collateral. SME Bank shall remit the fund directly to the contractors and vendors based on the presentation of invoices / claims.

Our commentary:

This measure will ease the cash flow issue of SME/ small scale contractors with limited financial resources.



Other Measures (con'd)

23. Arts, culture, entertainment, events and exhibitions sector support

The Government has allocated the following funding totaling to RM225 million to support the arts, culture, entertainment, events and exhibitions sector to adapt to the new normal:

Type of Funding	Fund Size
Soft loans with interest rate of 3.5%	RM100 million
Grants under MyCreative Ventures	RM30 million
Grants under CENDANA	RM10 million
Digital marketing and promotion grant under MyCreative Ventures	RM50 million (capped of RM5,000 per event)
Dana Kandungan Digital under MDEC	RM35 million

Support is also provided in the form of collaboration between MyCreative and the private sector to help players to adapt to the new normal through training in digital distribution methods and promotion, development of new business models and connectivity.

Effective: beginning June 2020.

24. Agriculture and food sector support

To support the agriculture and food players affected by COVID-19 and MCO, the Government has allocated RM350 million in micro credit financing under “Dana Agrofood” with interest rate of 3.5% . The maximum loan size is RM50,000 with a loan tenure of 5 years.

The Government will also empower the agriculture workforce mobility through incentives given to pioneer companies to train and educate workforce to explore opportunities in agriculture and plantations.

Additionally, urban farmer will also be given assistance (e.g. fertilisers, seeds, infrastructure, equipment, advisory and training) worth RM500 per person and RM50,000 per community.

Effective: beginning June 2020.



Other Measures (con'd)

25. Accelerated payment terms for GLCs and large corporates' supply chain

To ease the cashflow of SMEs that are part of the supply chain of GLCs and large corporations, the Government is encouraging GLCs and large corporations to reduce their vendors' credit payment period.

Companies that have committed to participate in this initiative beginning from July 2020 includes:

- Axiata
- TM
- TNB
- Petronas

26. Encouraging social enterprises in promoting responsible business

To encourage and sustain the role of social enterprise in promoting responsible businesses, the Government has allocated RM10 million to provide matching grant through the Malaysia Global Innovative and Creativity Centre (MaGIC) to social enterprises that crowdsource contribution and donations to undertake social projects that address challenges faced by targeted communities through innovative ways beginning from August 2020.

More information may be obtained from : <https://mymagic.my/>



Other Measures (con'd)

27. Extension of wage subsidy programme

The wage subsidy programme will be extended for a further 3 months with subsidy of RM600 per employee for all eligible employers up to a maximum of 200 employees.

The current wage subsidy programme will also be enhanced as follows:

- Allow employers receiving wage subsidy to implement reduced work week (e.g. 4-day work week with a reduced pay of 20%).
- Allow employers to receive wage subsidy for employees on unpaid leave, subject to employees receiving the subsidy directly (only applicable to tourism sector and businesses which are prohibited from operating during CMCO).

Effective: Mid June 2020 to 30 September 2020

***Our commentary:** It is uncertain at this juncture if the conditions imposed under the existing wage subsidy programme will continue to apply. One of the conditions was that the programme only applies to employees earning a monthly salary below RM4,000.*

28. National Employment Services job portal upgrade

The National Employment Services under PERKESO will be upgraded as follows:

- Enhancement of the job portal and employment placement services
- Collaboration with private job sites for employment matching



Other Measures (con'd)

29. Hiring and training assistance for businesses

The Government will introduce incentives to encourage the hiring of the unemployed as follows:

- Youth: RM600 per month for apprenticeships for school leavers and graduates for up to 6 months
- Unemployed workers:
 - i. Below 40 years old: RM800 per month for employment of unemployed for up to 6 months
 - ii. 40 years old and above: RM1,000 per month for employment of unemployed for up to 6 months
 - iii. Training allowance of RM4,000 will also be extended to individuals who are retrenched but are not covered under the Employment Insurance System (EIS)

Effective: Applications open from mid-June 2020 to 31 December 2020



Other Measures (con'd)

30. Reskilling and upskilling programmes

To enhance employability of youths particularly school leavers and fresh graduates, the Government will:

- Provide a 1-to-1 matching fund of RM250 million to co-fund place-and-train in addition to other upskilling programmes with HRDF
- Optimise Government training facilities such as those under MARA, Community Colleges, IKBN and ILP
- Support Securities Industry Development Corporation (SIDC) programs such as Capital Market Graduate Apprenticeship program, Islamic Capital Market Graduate Training Scheme (ICM GTS) and training subsidy of up to RM 3,500 over the next 6 months
- Relax conditions for PROTÉGÉ Ready to Work (RTW) programme

To provide upskilling for unemployed workers, the Government will undertake the following:

- Public private collaboration on upskilling in sectors such as E&E and ICT for key investors (MIDA, corridor authorities)
- Incentivise further studies, focused on short courses in local universities
- Leverage entrepreneurship programmes delivered by MOA, MARA, MEDAC
- Provide training subsidy of up to RM 800 per month for 6 months through the Securities Industry Development Corporation (SIDC)

Effective: Mid June 2020 to 31 December 2020



Other Measures (con'd)

31. Childcare subsidy

To ease the transition into the new normal of working-from-home, the Government will support working parents through the subsidy of child care expenses:

- eVouchers of RM 800 per household for mobile childcare services, to be utilised from now until end of August 2020
- Increase in income tax relief for parents on childcare services expenses, from RM 2,000 to RM 3,000 for Years of Assessment 2020 and 2021
- There will also be incentives to encourage childcare centres to comply with the new normal and to incentivise certification of early education practitioners.
- One-off grant of up to RM5,000 per childcare centre registered with the Ministry of Women, Family and Community Development (up to 31 December 2020) to comply with new healthcare SOPs
- Incentive to train new practitioners for child nursing and early education course under Ministry of Women, Family and Community Development

Effective: Beginning June 2020



Other Measures (con'd)

32. Public transport subsidy

To reduce the burden of cost of daily public transportation, the Government will introduce an unlimited monthly travel pass at RM30 (for citizens only) which is useable for all rail services (i.e. MRT, LRT, and Monorail), Bus Rapid Transit (BRT), RapidKL buses and MRT feeder buses in the Klang Valley.

Effective: 15 June 2020 to 31 December 2020

33. Social assistance support for vulnerable groups

To provide social assistance to vulnerable groups such as OKUs and single mothers, a one-off financial assistance of RM300 will be provided to:

- 190,000 registered OKUs (disabled persons);
- 150,000 single mothers (income below the poverty line) registered under the Department of Social Welfare (unregistered single mothers can start to register until December 2020); and
- 2,000 home help services.

The government will also provide grants to related non-governmental organisations (NGOs) which support the vulnerable groups. A “GLC Community PENJANA” programme will be introduced where government-linked companies (GLCs) are encouraged to uplift the community and to implement a social economic development project with the community.

Effective: June 2020



Other Measures (con'd)

34. PEKA B40 healthcare support

The government will double the existing allocation to the PEKA B40 programme with an additional RM50 million (to a total of RM 100 million) to finance four benefits for the B40 group (aged 40 and above):

- Health screening
- Medical device assistance
- Cancer treatment incentives
- Subsidy for transportation for health

Effective: Immediately

35. Internet connectivity for education & productivity

To enable the transition into the new normal of remote learning and work, the Government in cooperation with telecommunication companies will provide internet service with 1 gigabyte capacity for free, for all users from 8am to 6pm daily to browse educational websites, news and video conferencing applications. In addition, all users will be able to have unlimited access to the Government websites as well as the Government COVID-19 applications, especially MySejahtera.

Effective: Mid June 2020 to 31 December 2020



Other Measures (con'd)

36. Micros and SMEs e-commerce campaign

To encourage adoption of e-commerce by micro enterprises and SMEs so that they can widen their market reach. Eligible micro enterprises and SMEs will be onboarded to shift towards business digitalisation through a co-funded programme with MDEC and e-commerce platforms. From June to September 2020, participating e-commerce platforms will provide the following to eligible enterprises:

- On-boarding training
- Seller subsidy
- Sales support

37. “Shop Malaysia Online” for online consumption

To encourage online consumer consumption through e-commerce vouchers, the Government will collaborate with e-commerce platforms to co-fund digital discount vouchers to encourage online spending on products from local retailers.

38. Technical and digital adoption for SMEs and MTCs

To assist and incentivise SMEs and MTCs to digitalise operations and trade channels, the Government will continue to provide grants and loans (amounting to RM700 million) to eligible enterprises for adoption or subscription of digitalisation services under the following programmes:

- SME Digitalisation Matching Grant of RM100 million, in partnership with telecommunication companies
- SME Technology Transformation Fund of RM500 million loan (application opens from July 2020)
- Smart Automation Grant of RM100 million, capped at up to RM1 million per company



Other Measures (con'd)

39. ePenjana credit in e-wallets

To encourage the usage of “contact-free payment” services, the Government via the ePenjana Program worth RM750 million, will credit RM50 to the e-account wallet of users. This will be matched with additional RM50 in value through vouchers, cashback and discounts by e-Wallet services providers. This initiative will commence in the month of July 2020. It will benefit 15 million eligible Malaysian citizens.

Effective: July 2020 to September 2020

40. Sukuk PRIHATIN

The Government will issue “Sukuk Prihatin” (an Islamic debt instrument) with a value of RM500 million in the 3rd quarter of 2020 to enable the Rakyat to join the Government in supporting post COVID-19 economy recovery measures. With the theme of “From Rakyat, to Rakyat”, the funds collected from the Sukuk will be utilised for specific development programmes such as connectivity of schools (especially in rural areas), funding for micro business enterprises (focused on women entrepreneurs) and research grants for infectious diseases. The Rakyat is encouraged to support the Government in post recovery measures. The Sukuk will be offered to the public (both individuals and companies) for subscription.



Other Measures (con'd)

41. MyAssist MSME one-stop shop

To provide guidance and facilitate the recovery process for micro enterprises and SMEs, an online one-stop business advisory platform for those affected will be set up from June 2020 to enhance the outreach of the existing physical SME Hub. The services offered include guidance in the following:

- Funding facility
- Trade facilitation
- Branding and promotion
- Technology support
- Legal

42. Dana Penjana Nasional - Accelerating the digitalisation of Malaysian businesses

Dana Penjana Nasional is a RM1.2 billion fund setup to provide funding and capital to Malaysian venture capital funds and Malaysian start-ups focused on digitalising businesses.

The Fund will be used to foster innovation and domestic venture capital and invested into the following:

- Seed Stage / Co-creation funds
- Series A/B Funds
- Growth Stage Tech Funds
- Venture Debt Funds
- Opportunistic Funds



Other Measures (con'd)

43. National Technology and Innovation Sandbox – Fast-tracking the commercialisation of new technology

The National Technology and Innovation Sandbox will be set-up and spearheaded by the Ministry of Science, Technology and Innovation. Funding of RM100 million has been set aside to support this initiative that is intended to facilitate and accelerate the digitalisation of service delivery.

44. Digitalisation of government service delivery

Funding of RM20 million will be set aside to fund the digitalisation of the Government's service delivery of selected services. Among the services prioritised for digitalisation are stamp duty assessment and government scholarship interviews.

45. National "Buy Malaysia" campaign

RM20 million funding is set aside for the "Buy Malaysian" initiative. Major supermarket chains will tag and identify Malaysian products. E-trading platforms will be used to establish dedicated channels for Malaysian products.

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Combating COVID-19 with resilience

A collection of insights to help business manage and mitigate risks with COVID-19



What might be expected of business investment in a post-COVID-19 world?

The recession is here; now let's talk about recovery—and more specifically, how business investment will fare in a post-COVID-19 world. We look at the recessions and recoveries of the past to better understand trends in business investment.

<https://www2.deloitte.com/us/en/insights/economy/spotlight/economics-insights-analysis.html>



The social enterprise at work: Paradox as a path forward

How can organisations remain distinctly human in a technology-driven world? This year's Global Human Capital Trends report calls upon organisations to embrace three attributes—purpose, potential, and perspective—that characterise what it means to fuse people and technology to perform as a social enterprise at work.

<https://www2.deloitte.com/us/en/insights/focus/human-capital-trends.html?id=us:2em:3na:4dius43244:5awa:6di:051820:hct20>



Economic impact of epidemics and pandemics in Asia since 2000

Asia's experience with health care crises reveals that economic activity is impacted through sectors such as consumer spending, tourism, and aviation. The impact of COVID-19, however, will likely be harsher given its scale and social-distancing measures.

<https://www2.deloitte.com/us/en/insights/economy/asia-pacific/economic-impact-of-epidemics-and-pandemics.html>



COVID-19: Business and capital planning for the next normal

In one sense, nothing has changed: The basic disciplines that underpin business and capital planning remain unchanged. Smart businesses still need to affirm their strategic intent, develop robust forecasts, communicate clearly with key stakeholders, back up their commitments with decisive actions and remember that, whatever happens, cash is king. In another sense, though, everything is different. The COVID-19 pandemic has radically shifted the context in which business leaders must view the fundamentals and execute on them.

<https://www2.deloitte.com/global/en/pages/about-deloitte/articles/covid-19/covid-19-business-and-capital-planning-for-the-next-normal.html>



The futures of mobility after COVID-19

The pandemic has shut millions of people in their homes and disrupted every part of the transportation domain, but leaders can't simply wait to see how tomorrow's reshaped mobility ecosystem turns out. We offer four possible scenarios for the future of mobility.

<https://www2.deloitte.com/us/en/insights/economy/covid-19/future-of-mobility-after-covid-19-transportation-scenarios.html>



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