



# eNewsletter 08/2021

Program Strategik Memperkasa Rakyat & Ekonomi  
Tambahan (PEMERKASA+):

**Tax-Related Measures under PEMERKASA+**

## PEMERKASA+

The PEMERKASA+ economic stimulus package was announced by the Prime Minister on 31 May 2021 in order to help alleviate the challenges Malaysians are facing following the recent intensification of the Movement Control Order (MCO).

The PEMERKASA+ stimulus package is valued at RM40 billion including a direct fiscal injection of RM5 billion. The three primary goals of the PEMERKASA+ stimulus package are as follows:

To boost the capacity  
of Public Health



To continue the  
*Prihatin Rakyat* Agenda



To support business  
continuity



We highlight below the tax-related initiatives that have been announced.

## Income Tax Measures

Consideration of appeals on penalties and rescheduling of payments by the Inland Revenue Board of Malaysia (IRBM)

To reduce the financial burden of affected taxpayers and businesses, it was announced that the IRBM will consider the following:

- **Appeals against the imposition of tax penalties**

IRBM will consider the taxpayer's appeal against the penalties imposed on a case-by-case basis, provided the taxpayer has a valid justification.

- **Deferment of payment of tax penalties to the year 2022**

In order to enjoy this flexibility offered by the IRBM, the taxpayer must continue to comply with the payment of the principal amount of tax payable.

The penalties covered under this offer are penalties imposed under the Income Tax Act 1967, Real Property Gains Tax Act 1976 and Stamp Act 1949.

- **Rescheduling of payment of outstanding taxes**

IRBM will consider applications of taxpayers who have lost their source of income or face issues in settling their outstanding taxes due to the implementation of MCO.

Following the above announcement, the IRBM issued a Media Statement which highlighted that the above flexibilities are only applicable to taxpayers whose income have been affected due to the pandemic and the implementation of MCO. Taxpayers who wish to apply are recommended to contact the branch office that handles their respective income tax files.

Queries or feedback can be directed to Hasil Care Line at 03-89111000 or 03-89111100 (for those who are overseas), HASiL Live Chat and via feedback form at this [link](#).

Extension of special deduction for rental reduction

It was previously announced under PERMAI that the qualifying period for the special tax deduction equivalent to the amount of at least 30% rental reduction given to SME tenants was extended until 30 June 2021 and includes rental reduction given to non-SME tenants.

The qualifying period for the above special tax deduction is now extended for another 6 months from 1 July 2021 until 31 December 2021.

## Indirect Tax Measures

### Extension of sales tax exemption on passenger motor vehicles

It was previously announced under PERMAI that until 30 June 2021:

- Full sales tax exemption will be given on the sale of locally assembled passenger motor vehicles; and
- 50% sales tax exemption will be given on imported passenger motor vehicles.

The qualifying period for above exemptions is now extended until 31 December 2021.

## Other Tax Measures

### Extension of exemption of Human Resources Development Fund (HRDF) levy

It was previously announced under PEMERKASA that HRDF levy is exempted up to June 2021 for affected companies in tourism and retail sectors.

The exemption is now extended to **all employers** who are registered with the HRDF for the month of June 2021.

### Extension of stamp duty exemption of the Home Ownership Campaign (HOC)

It was previously announced under PENJANA that:

- Stamp duty exemption on the instruments of transfer and loan agreement will be given for the purchase of residential property priced between RM300,000 to RM2.5 million;
- Full stamp duty exemption will be given for the loan agreement while the exemption on the instrument of transfer is limited to the first RM1 million of the value of the residential property; and
- The above exemptions apply for Sales and Purchase Agreement signed from 1 June 2020 to 31 May 2021 and the qualifying condition is that the developer must provide at least 10% discount on the price of the residential property.

The qualifying period for above exemptions is now extended until 31 December 2021.

## COMMUNICATION



**Dato' Robert Teo**  
Chairman  
T +603 2610 2886  
E robertteo@rsmmalaysia.my



**Ng Ah Bah**  
Executive Tax Director  
T +603 2610 2827  
E ngab@rsmmalaysia.my

### Corporate Tax



**Owen Wong**  
Tax Director  
T +603 2610 2829  
E owenwong@rsmmalaysia.my



**Nicole Chong**  
Tax Director  
T +603 2610 2830  
E nicole.chong@rsmmalaysia.my



**Lim Sok Juan**  
Associate Tax Director  
T +603 2610 2842  
E limsj@rsmmalaysia.my

### Tax Advisory and Incentives



**Loke Yew Ken**  
Tax Director  
T +603 2610 2835  
E lokeyk@rsmmalaysia.my



**Selvi Permal**  
Tax Director  
T +603 2610 2828  
E selvi@rsmmalaysia.my

### Indirect Tax



**Mayadevi Karpayah**  
Tax Director  
T +603 2610 2831  
E mayadevi@rsmmalaysia.my



**Kalvinder Singh**  
Senior Tax Manager  
T +603 2610 2863  
E kalvindes@rsmmalaysia.my

### Field Audit and Investigation



**Ng Ah Bah**  
Executive Tax Director  
T +603 2610 2827  
E ngab@rsmmalaysia.my



**Chang Suang Yue**  
Tax Manager  
T +603 2610 2862  
E changsy@rsmmalaysia.my

### Personal Tax



**Mayadevi Karpayah**  
Tax Director  
T +603 2610 2831  
E mayadevi@rsmmalaysia.my



**Lynda**  
Senior Tax Manager  
T +603 2610 2832  
E lynda@rsmmalaysia.my



### **RSM Tax Consultants (Malaysia) Sdn Bhd**

5th Floor, Penthouse, Wisma RKT,  
Block A, No.2 Jalan Raja Abdullah Off Jalan Sultan Ismail,  
50300 Kuala Lumpur,  
Malaysia

### **Johor Bahru Office**

Suite 16-02, Level 16, Menara Landmark,  
No. 12, Jalan Ngee Heng,  
80000 Johor Bahru,  
Malaysia

General Email [askus@rsmmalaysia.my](mailto:askus@rsmmalaysia.my)  
Website [www.rsmmalaysia.my](http://www.rsmmalaysia.my)

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