

PRIHATIN RAKYAT ECONOMIC STIMULUS PACKAGE 2020

BUSINESSES & EMPLOYERS

WAGE SUBSIDY PROGRAMME



- To subsidise affected employers MYR600 per month for each employee earning less than MYR4,000 for a period of three months, and whose employers experienced a 50% drop in income since 1st January 2020.
- Application through www.perkeso.gov.my starting 1st April 2020.

EMPLOYMENT RETENTION PROGRAMME (ERP)



- MYR600 allowance a month for up to 6 months for employees who fulfill the criteria as follows:
 - Employees in the private sector who have registered and contributed to the Employment Insurance Scheme;
 - Salary of RM4,000 and below per month; and
 - Employees who were placed on unpaid leave for at least a month since 1 March 2020.
- Application by employer by filling in and submitting BORANG ERPC-19 to erpc19@perkeso.gov.my.

PRE-RETIREMENT WITHDRAWAL FROM PRIVATE RETIREMENT SCHEME SUB-ACCOUNT B



- Individuals will be allowed to take a pre-retirement withdrawal from their PRS Sub-Account B of up to a maximum of MYR1,500 without the withholding tax of 8% being imposed.
- For withdrawals from April 2020 to December 2020.

DEFERMENT OF MONTHLY TAX INSTALLMENTS FOR SMEs



- SMEs will be given deferment for payment of the monthly tax installments for a period of 3 months.
- Effective from 1st April 2020 until 30th June 2020.

NO TAX ON INTEREST INCOME & PROFITS OF BANKING INSTITUTIONS DERIVED FROM FINANCING FACILITIES



- Interest income and profits of banking institutions derived from financing facilities covered under the moratorium shall only be taxed upon receipt of the said income after the moratorium period.
- Effective from 1st April 2020 to 30th September 2020.



INTRODUCTION OF EMPLOYER CONSULTATION SERVICES BY EPF

- Effective on 15th April 2020 for services on restructuring of employers' EPF contribution.



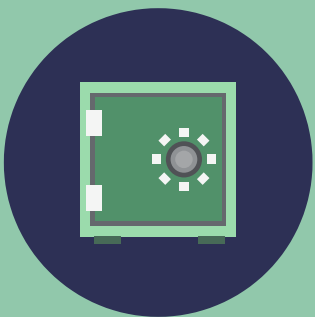
EXEMPTION FROM PAYMENT OF HRDF LEVY

- Applicable to all business sectors for a period of 6 months beginning April 2020.



SOCIAL FINANCING PROGRAMME

- To assist B40 entrepreneurs and individuals who lost their source of income.



DEFERMENT OF LOAN REPAYMENT BY SMEs

- Will be extended to include loans taken from TEKUN, MARA and co-operatives and government agencies from 1st April 2020.



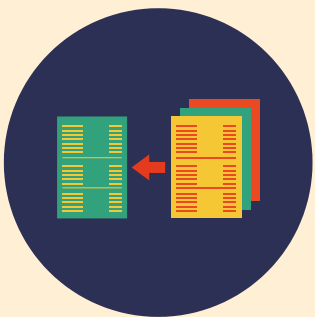
ALL ECONOMIC SECTORS FACILITIES FUND

- Will be increased from MYR5.8 billion to MYR6.8 billion.



MICRO CREDIT SCHEME

- Will be increased from MYR500 million to RM700 million with an interest rate of 2%.



MYR50 BILLION GUARANTEE SCHEME

- To guarantee up to 80% of the financing amount for the purpose of financing working capital.



SPECIAL RELIEF FACILITY FUND

- Will be increased from MYR2 billion to MYR5 billion whilst interest rate will be reduced from 3.75% to 3.5%.



SERVICE CONTRACT WORKERS

- Government will pay the salaries of employees involved;
- this includes employees in cleaning services and food supply with government agencies.
- Contract period will be extended for 1 month.