

## Summary of Measures announced under the Additional PRIHATIN SME Economic Stimulus Package (PRIHATIN SME+)

The Malaysian Institute of Certified Public Accountants (MICPA) is pleased to summarise the additional measures for PRIHATIN or PRIHATIN PLUS announced by the Prime Minister on April 6, 2020 with the hope that the additional package valued at RM10 billion would ease the financial burden of SMEs and subsequently assure two thirds of the workforce remain being employed.

- 1) The breakdown of the package valued at RM7.9 billion is:

<b>Workforce</b>	<b>Wage Subsidy for Employers</b>
> 200 employees	RM600/month for every retained worker subject to a maximum of 200 employees
75 - 200 employees	RM800/month per employee
< 75 employees	RM1,200/month per employee

Conditions:

- a) This assistance is for a 3-month period from April to June 2020 for employers with local employees earning  $\leq$  RM4,000/month
  - b) Employers must be registered with the SSM or local authorities before 1 January 2020 and are registered with the SOCSO.
  - c) Employers opting to accept this assistance are required to retain their employees at least for a period of 6 months, that is 3 months during the period receiving the subsidies and 3 months thereafter.
- 2) The breakdown of the package valued at RM2.1 billion, known as the Special PRIHATIN Grant will provide a grant of RM3,000 to each micro enterprise with the condition that the micro SMEs must register with the IRB.

Other measures include:

- 1) Moratorium by Money Lenders

Registered money lenders under the Money Lenders Act 1951 to provide moratoriums for loan repayments for 6 months (beginning April 2020) similar to moratoriums provided by banks.

- 2) Financial Assistance

The interest rate of BSN Micro Credit Scheme is reduced from 2% to 0% and the soft loan scheme for micro enterprises is also extended to TEKUN Nasional with a maximum loan limit on RM10,000 at 0% for each enterprise.

3) Waiver or Discount on Rent

Waiver or discount for rentals in retail sector operating on premises owned by Government-Linked Companies (GLCs) is granted. Private premise owners who provide rental reduction or waiver of their buildings or building spaces will be given a further tax deduction equivalent to amount rental reduction from April to June 2020 subject to the condition that the rental reduction is at least 30% of the original rental rate for that period.

4) Reduction of Levy of Foreign Workers

The levy of foreign workers is reduced by 25% to all companies with work permits that will expire in the period from 1 April to 31 December 2020. This reduction is not applicable to the domestic help sector.

5) Lodgement of Statutory Documents

An automatic 30 days of moratorium from the date the Movement Control Order (MCO) ends for companies to lodge the statutory documents to Suruhanjaya Syarikat Malaysia (SSM) is granted.