

Summary of Tax Related Measures announced under the Strategic Programme to Empower the People and the Economy (PEMERKASA+)

The Malaysian Institute of Certified Public Accountants ("MICPA") is pleased to summarise the tax related measures announced by the Prime Minister on May 31, 2021 below.

1) Inland Revenue Board (IRB)'s Considerations

To reduce the financial stress of businesses, the IRB will consider the following in respect of taxpayers and business impacted by the total lockdown:

- Appeals on penalties and deferment of penalty payments to 2022; and
- Rescheduling payment of outstanding taxes.

The Institute expects further details to be released by the IRB in the future.

2) Extension of special deduction for rental discounts to tenants

An extension of special tax deduction equivalent to rental reduction of at least 30% of the prevailing rental to SME and non-SME tenants for a further six months, up to December 31, 2021.

3) Extension of stamp duty exemption under the Home Ownership Campaign

An extension of stamp duty to December 31, 2021 in respect of incentives for the property sector announced during the Short-Term Economic Recovery Plan (PENJANA) announced on June 5, 2020.

4) Extension of sales tax exemption for purchase of passenger vehicles

An extension of sales tax exemption to December 31, 2021 in respect of the tax incentive for automotive sector announced during the PENJANA on June 5, 2020.