

CIRCULAR NO. 17

urther to the announcement by the Prime Minister on 18th January 2021 pertaining to the latest stimulus package for the country, IEM is pleased to provide herewith information on the contents of the said package named as "**PERMAI**" which is a continuation or extension of the previous initiatives by the government.

Several of the respondents in our recent survey on Impact of the COVID-19 pandemic indicated that they were not aware of the government initiatives. IEM hopes that members would be able to have a better understanding of the PERMAI through this circular especially incentives/schemes that would specifically benefit the engineers.



PAKEJ BANTUAN PERLINDUNGAN EKONOMI & RAKYAT MALAYSIA (PERMAI)

OVERVIEW

- Perlindungan Ekonomi dan Rakyat Malaysia (PERMAI) assistance package, valued at RM15 billion.
- PERMAI assistance package improves on the existing on-going initiatives and accelerates the implementation of related initiatives.
- A total of 22 initiatives will be implemented under PERMAI, anchored on the three main objectives which are:





- RM3 billion is allocated to inject 27 million Malaysians (80% of population) with Covid-19 vaccine in 12 months.
- RM100 million for treatment of Covid-19 and other patients in private hospitals.
- Covid-19 testing for registered migrant workers in red zones are fully paid by SOCSO, as previously announced.
- RM1,000 tax relief for body check-up now includes Covid-19 testing.



• 2nd phase of Bantuan Prihatin Nasional (BPN 2.0) worth RM2.38 billion to be distributed to 11 million recipients, as outlined under Kita Prihatin package. B40 recipients from 21 January 2021 onwards, M40 recipients from 25 January 2021 onwards.

| Kategori | | Pendapatan | Fasa Bayaran | | |
|-----------|-----|---------------------|-------------------------|-----------------------|---------|
| | | | Bayaran Fasa Pertama | Bayaran Fasa Kedua | Jumlah |
| Isi Rumah | B40 | RM4,000 ke bawah | RM700 | RM300 | RM1,000 |
| | M40 | RM4,001- RM8,000 | RM400 | RM200 | RM600 |
| Bujang | B40 | RM2,000 ke bawah | RM350 | RM150 | RM500 |
| | M40 | RM2,001- RM4,000 | RM200 | RM100 | RM300 |
| | | | Tarikh Bayaran | | |
| | | | Hujung Oktober 2020 | Januari 2021 | |

- Bank loan moratorium, reduction of instalments to be announced by individual banks.
- Tax relief up to RM2,500 for purchase of smart phones, computers and tablets as announced under Penjana stimulus package, which has ended on 31 December 2020, is now extended until 31 December 2021.
- RM50 million is allocated for users to enjoy Free 1 GB Data from 1 January 2021 to 30 April 2021.
- Passenger Vehicles enjoyed SST exemption until 31 December 2020, as outlined in Penjana package. From now until 30 June 2021, Completely Knocked Down (CKD) Passenger Vehicles will entitled to full SST exemption, while Completely Built-Up (CBU) Passengers Vehicles are entitled to 5% SST (50% relief).



- RM1 billion for Wage Subsidy Programme, which will benefit approximately 250,000 employers and 2.6 million employees. Employers who operate during MCO may apply for subsidy worth RM600 monthly for every employee earning up to RM4,000. Maximum limits for number of staffs entitled to this subsidy is increased from 200 to 500 every company.
- Those retrenched under MCO will receive 30% of original pay for 3 months under Employee Insurance Scheme (EIS) of SOCSO, even though they do not meet the requirement for minimum EPF contribution.
- RM650 million is allocated for another round of Geran Khas Prihatin (GKP), which is now revived as GPK Permai. 500,000 SMEs in MCO states will receive RM1,000 each, while 300,000 SMEs in other states will receive RM500 each. If MCO is proclaimed in other red zones, additional funds will be offered.
- Distribution of cash from Microcredit schemes will be expedited. RM1.035 billion is allocated for microcredit loans, namely RM390 million by Bank Simpanan Nasional (BSN), RM350 million by Agrobank and RM295 million by National Entrepreneur Economic Fund (TEKUN)
- Borrowers may apply for Rescheduling of Repayment / Moratorium for MARA Study Loans until 31 March 2021.
- Businessmen may apply for Rescheduling of Repayment.
- 9% discount on Electricity bill for all users: RM0.02 lower for every kWh.
- Under the Temporary Measures for Reducing the Impact of Covid-19 Act 2020, parties with inabilities are not required to perform their contractual obligations until 31 December 2020. The measure will now be extended until 31 March 2021.

For more information on other incentives/ schemes, below is a link that can help.

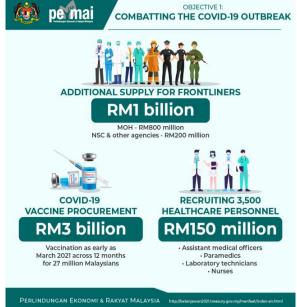
http://belanjawan2021.treasury.gov.my/manfaat/index.html/

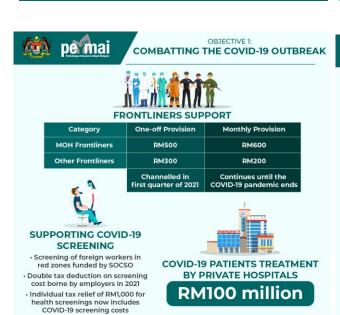
PERMAI AT A GLANCE

Summary of the initiatives.

https://www1.treasury.gov.my/index.php/en/gallery/permai-2021-infographic









RLINDUNGAN EKONOMI & RAKYAT MALAYSIA http://belanlawan2021.treasury.gov.mv/man/aat/index-en.htt



OBJECTIVE 2: SAFEGUARDING THE WELFARE

OF THE PEOPLE



LOAN REPAYMENT ASSISTANCE

Including flood victims, affected B40, M40 groups and SMEs

SINAR KWSP i-Sinar

Category 2:

RM1,000

From 26 January

Online self-declaration



MORATORIUM & REPAYMENT ASSISTANCE

Until 31 March 2021



PTPTN & MARA



FLOOD ASSISTANCE

RM250 million

Repair works for damaged infrastructure and housing - RM200 million NADMA - RM50 million

pe mai

FREE IGB DAILY INTERNET DATA

RM500 million

Until April 2021



OBJECTIVE 2:

SAFEGUARDING THE WELFARE

OF THE PEOPLE

SALES TAX RELIEF FOR CKD/CBU **PASSENGER VEHICLES**

Until 30 June 2021



SPECIAL TELCO **PACKAGE**

Until April 2021 · SPM/STPM candidates · Higher learning institute students



SPECIAL TAX RELIEF

For 2021 purchases of: Mobile phone · Computer · Tablet





OBJECTIVE 3 SUPPORTING BUSINESS CONTINUITY



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- Employers in MCO area Up to 500 workers
- 250,000 employers 2.6 million employees



SOCIAL SECURITY SCHEME RM24 million

Full contribution coverage for delivery riders



PERMAI SPECIAL **PRIHATIN GRANT**

RM650 million

MCO states | RM1,000 Other states | RM500



MIKROCREDIT SCHEME RM1 billion

BSN | Agrobank | TEKUN



30% salary for 3 months for eligible applicants with new minimum requirements



ASSISTANCE FOR E-HAILING, TAXI AND BUS DRIVERS

RM66 million

pe mai



SME E-COMMERCE CAMPAIGN & SHOP MALAYSIA ONLINE

RM300 million

OBJECTIVE 3:

SUPPORTING BUSINESS CONTINUITY





OBJECTIVE 3 SUPPORTING BUSINESS CONTINUITY



AND EXCISE **DUTY EXEMPTION**

Ownership requirement reduced to 5 years





SPECIAL TAX RELIEF

• For business premise rental reduction of at least 30% · Including for non-SMEs · Until 30 June 2021



MARA BUSINESS FINANCING **PAYMENT RESCHEDULING**

> 30% DISCOUNT ON **MARA BUSINESS PREMISE RENTAL**

November 2020 - April 2021

ELECTRICITY BILL

SUPPORT

10% discount until Mac 2021

for 6 affected sectors • Up to 9% bill reduction from January until June 2021 for all users

BUS AND TAXI HIRE PURCHASE REHABILITATION SCHEME

RM1 billion 50% loan guarantee



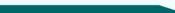
HRDF EMPLOYER **LEVY EXEMPTION**

For companies not operating during MCO and CMCO



EFFECTIVE PERIOD OF INABILITY TO PERFORM CONTRACTUAL **OBLIGATIONS**

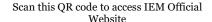
Extended to 31 March 2021 · Hire purchase/lease contracts · Credit sales contracts



IEM will continue to keep our members updated on latest announcements from the government, ministries or government agencies related or affecting the engineering industry. Do keep a look out for our email blast or visit the IEM website at www.myiem.org.my under the tab 'RELATED TO ENGINEERING' or join our Telegram Channel to receive faster updates.

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We hope that all our members would remain safe and healthy during this challenging time. We will keep you updated on any further information promptly.

Thank you.
#mylEMstaysafe
#mylEMstayhealthy
#iemstayhealthystaysafe

Special Committee on COVID-19 The Institution of Engineers, Malaysia 20th January 2020

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