

CIRCULAR NO. 17

Further 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		Jumlah
			Bayaran Fasa Pertama	Bayaran Fasa Kedua	
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 disabilities 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>

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**OBJECTIVE 1:
COMBATTING THE COVID-19 OUTBREAK**



ADDITIONAL SUPPLY FOR FRONTLINERS

RM1 billion


MOH - RM800 million
NSC & other agencies - RM200 million



**COVID-19
VACCINE PROCUREMENT**

RM3 billion

Vaccination as early as March 2021 across 12 months for 27 million Malaysians



**RECRUITING 3,500
HEALTHCARE PERSONNEL**


RM150 million

- Assistant medical officers
- Paramedics
- Laboratory technicians
- Nurses

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**OBJECTIVE 1:
COMBATTING THE COVID-19 OUTBREAK**




FRONTLINERS SUPPORT

Category	One-off Provision	Monthly Provision
MOH Frontliners	RM500	RM600
Other Frontliners	RM300	RM200

Channelled in first quarter of 2021

Continues until the COVID-19 pandemic ends



**SUPPORTING COVID-19
SCREENING**

- Screening of foreign workers in red zones funded by SOCSO
- Double tax deduction on screening cost borne by employers in 2021
- Individual tax relief of RM1,000 for health screenings now includes COVID-19 screening costs



**COVID-19 PATIENTS TREATMENT
BY PRIVATE HOSPITALS**

RM100 million

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**OBJECTIVE 2:
SAFEGUARDING THE WELFARE
OF THE PEOPLE**




**DIRECT AID
BROUGHT FORWARD**

- Bantuan Prihatin Nasional 2.0 Phase 2 from 21 January
- Bantuan Prihatin Rakyat Phase 1



**TAX RELIEF
FOR
AID CONTRIBUTIONS**



**FOOD BASKET
PROGRAMME**

RM50 million

RM100 per basket




**GLC/GLIC
DISASTER RELIEF
NETWORK**


RM25 million


Matching grants for social initiatives


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**OBJECTIVE 2:
SAFEGUARDING THE WELFARE
OF THE PEOPLE**



**MORATORIUM EXTENSION &
LOAN REPAYMENT ASSISTANCE**
 Including flood victims,
affected B40, M40 groups and SMEs



**EDUCATION LOAN
MORATORIUM &
REPAYMENT ASSISTANCE**
 PTPTN & MARA
 Until 31 March 2021



KWSP i-Sinar
 Category 2:
**Advance of up to
RM1,000**
 From 26 January
 Online self-declaration


FLOOD ASSISTANCE
RM250 million
 Repair works for damaged infrastructure
 and housing - RM200 million
 NADMA - RM50 million


**FREE 1GB DAILY
INTERNET DATA**
RM500 million
 Until April 2021


**SPECIAL TELCO
PACKAGE**
 Until April 2021
 • SPM/STPM candidates
 • Higher learning institute students


**SALES TAX RELIEF
FOR CKD/CBU
PASSENGER VEHICLES**
 Until 30 June 2021


SPECIAL TAX RELIEF
 For 2021 purchases of:
 • Mobile phone
 • Computer
 • Tablet

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**OBJECTIVE 3:
SUPPORTING BUSINESS CONTINUITY**


**WAGE SUBSIDY
PROGRAMME 3.0**
RM 1 billion
 • Employers in MCO areas
 • Up to 500 workers
 • 250,000 employers
 • 2.6 million employees


**SOCSE SELF-EMPLOYMENT
SOCIAL SECURITY SCHEME**
RM24 million
 Full contribution coverage
 for delivery riders


**PRIHATIN EMPLOYEE
INSURANCE SYSTEM**
 30% salary for 3 months
 for eligible applicants with
 new minimum requirements


**PERMAI SPECIAL
PRIHATIN GRANT**
RM650 million
 MCO states | RM1,000
 Other states | RM500



MIKROCREDIT SCHEME
RM1 billion
 BSN | Agrobank | TEKUN


**RM500 ONE-OFF
ASSISTANCE FOR E-HAILING,
TAXI AND BUS DRIVERS**
RM66 million



**SME E-COMMERCE CAMPAIGN
& SHOP MALAYSIA ONLINE**
RM300 million


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**OBJECTIVE 3:
SUPPORTING BUSINESS CONTINUITY**


**TAXI SALES TAX
AND EXCISE
DUTY EXEMPTION**
 Ownership requirement
 reduced to 5 years



**ENHANCEMENT OF
PRIHATIN DANAJAMIN
GUARANTEE SCHEME**
RM50 billion



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


**HRDF
HRDF EMPLOYER
LEVY EXEMPTION**
 For companies not operating
 during MCO and CMCO


**BUS AND TAXI
HIRE PURCHASE
REHABILITATION SCHEME**
RM1 billion
 50% loan guarantee


**EFFECTIVE PERIOD
OF INABILITY TO
PERFORM CONTRACTUAL
OBLIGATIONS**
 Extended to 31 March 2021
 • Hire purchase/lease contracts
 • Credit sales contracts

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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.

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

##END##