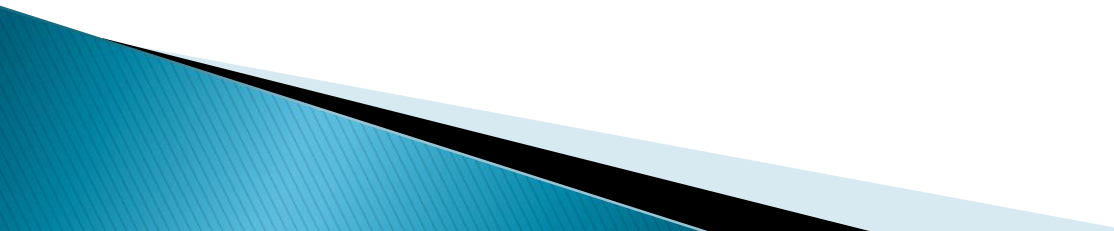


**GOVERNMENT'S
STIMULUS PACKAGE AND
INFORMATION BY SSM &
IRB**



SME PACKAGE

Wages Subsidy Program (WSP)

- ▶ A wage subsidy programme was announced by the government on 6 April 2020 as part of its economic stimulus package for SME. The wage subsidy programme is intended to protect job security and assist employers who are undergoing cash flow difficulties.
- 

Criteria to apply for WSP

	< 75 employees	76 to 200 employees	> 200 employees
Amount of subsidy per employee per month	RM 1200	RM 800	RM 600
Number of employee (maximum)	75 employees	200 employees	200 employees
Applicable to employee	Registered with PERKESO Monthly salary RM4000 and below		
Applicable to employer	Employer registered with SSM on or before 1 January 2020 Employer commence business on or before 1 January 2020		
Required to present loss in Revenue	Not required	A reduction of 50% or more by comparing the total sales or income with Jan 2020 or with the following months.	
Duration	Application between 9 April to 31 December 2020 for 3 months from application date. For those companies applying WSP before 9 April 2020, are not required to re-apply		
Deadline for application	15 September 2020		
Conditions	Employers are not allowed to retrench/force employees to take unpaid leave or annual leave and decrease employee's salary for a minimum 6 months		
Payment method	Subsidy will be credited to employer's bank accounts between 7 to 14 days after application is approved		

Criteria to apply for WSP

	< 75 employees	76 to 200 employees	> 200 employees
How to apply	Application via Perkeso portal at https://prihatin.perkeso.gov.my/ by employer		
Documentation	<ol style="list-style-type: none">1. List of employees / Borang Senarai Pekerja (excel). Download from Perkeso website2. Employer's bank statement (.pdf)3. Business Registration Number (BRN) used during opening bank accounts (.pdf)4. Form PSU50 (.pdf). Download from Perkeso website5. SSM / ROS / ROB Registration Certificate. (.pdf).6. Proof of loss of revenue (for organization > 75 employees)		

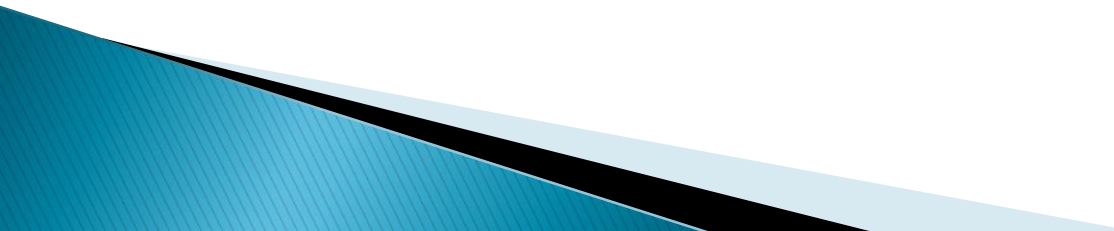
Criteria to apply for WSP

- ▶ Wages are defined under The Employment Insurance Act, 2017 as below :-

Definition Of Wages

- Any remuneration payable in money to an employee is taken as wages for purposes of SOCSO contributions. This includes the following payments:
 - i. Salary
 - ii. Overtime payments
 - iii. Commission and service charge
 - iv. Payments for leave; such as annual, sick, maternity, rest day, public holidays and etc
 - v. Allowances such as incentives, shift, food / meal, cost of living, housing and etc
- All payments made to an employee paid at an hourly rate, daily rate, weekly rate, piece or task rate is considered as wages. However the following payments are not considered as wages:
 - i. Payments by an employer to any statutory fund for employees
 - ii. Mileage claims
 - iii. Gratuity payments or payments for dismissal or retrenchments
 - iv. Annual bonus

Who is not eligible to apply

- ▶ Company register with SSM on or after 1 January 2020
 - ▶ Company commence business operation on or after 1 January 2020
 - ▶ Employer and employee does not register and contribute to PERKESO
 - ▶ Employee received subsidy under Employee Retrenchment Programme
 - ▶ Employee wages more than RM4000 per month
 - ▶ Foreign employee
 - ▶ Self-employed or freelancer
- 

Employment Retention Program

Is an immediate financial assistance by PERKESO to employees who has been instructed by employer to take unpaid leave or salary reduction.

Employment Retention Program

Conditions

- Employees with salary RM4000 and below.
- Employees registered and contributed to Employment Insurance System (EIS)
- Advised by employer to take unpaid leave since 1 March 2020 (minimum 30 days)

Incentive amount

- RM600 per month. Up to maximum of 6 months depending on period on Unpaid leave.

Employment Retention Program

Payment method

- Payment credited to employer's bank accounts. Employers have to credit to employee's bank with 7 days

Who is not eligible

- Self-employed, freelancer, expatriate and foreign workers

Employment Retention Program

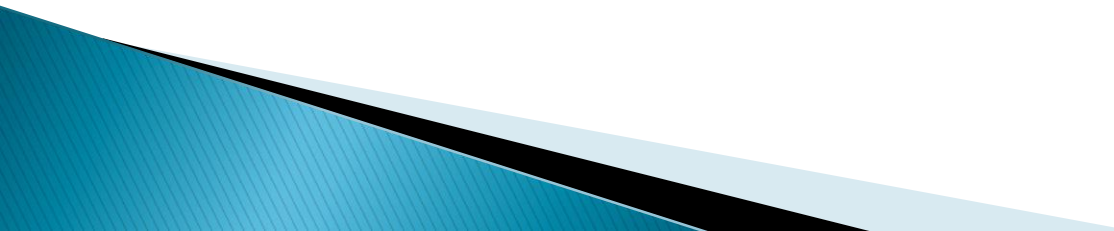
How to apply ERP

- Online application via email to erpc19@perkeso.gov.my or submit Borang ERPC-19 to nearest Perkeso office.

- Required documents :-
 - a. Borang ERPC-19
 - b. ERPC19_Maklumat Pekerja

HRDF

- ▶ Registered employers are exempted to pay Human Resource Development Levy from April to September 2020.

 - ▶ Qualified employer
 - Employers from all 63 sub sectors as below :-
 - a. Manufacturing sector
 - b. Services sector
 - c. Mining and quarrying sector
- 

HRDF

Application

- No application is required.
- Registered HRDF employers will automatically be exempted from paying the HRDF levy

Employees' Provident Fund (EPF)

i-Lestari

- Members can apply for the RM500 monthly withdrawal through i-Lestari Account 2 from 1 April 2020 to 31 March 2021.

- Duration: 1 year

- Application
 - a. Online application via “Member login->e-Pengeluaran-> New Application ->i-Lestari Form

Employees' Provident Fund (EPF)

- ▶ b. Email to ilestarimohon@epf.gov.my

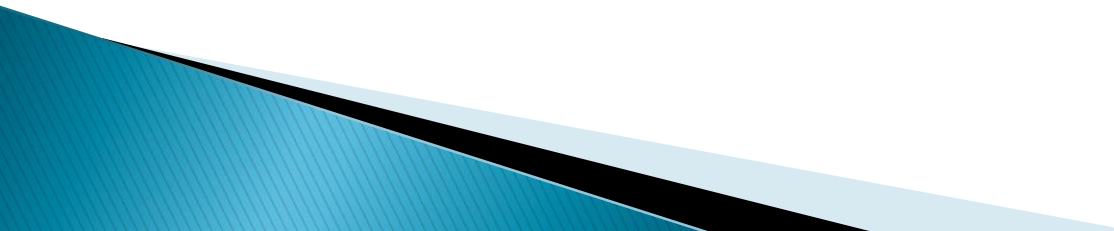
- ▶ c. By post/courier addressed to:
 - Kumpulan Wang Simpanan Pekerja,
Beg Berkunci No 220,
Jalan Sultan 46720,
Petaling Jaya
 - Note: Please write (**UP : i-Lestari**) on the face of the envelope.

Employees' Provident Fund (EPF)

- ▶ Condition for application
 - a. Malaysian or non-Malaysian citizens or Permanent Residents (PR);
 - b. Aged 55 years old and below; and
 - c. Fund is available in their Account 2 savings.

Employer's portion can defer, restructure or reschedule payments. Pending guidelines from EPF

LEVY

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

LOANS

1. Micro Credit Scheme

- 2% interest will be abolished under Bank Simpanan Nasional
- The micro loan scheme for micro businesses extended to Tekun Nasional with a maximum loan limit of RM10,000 per company at 0% interest rate.

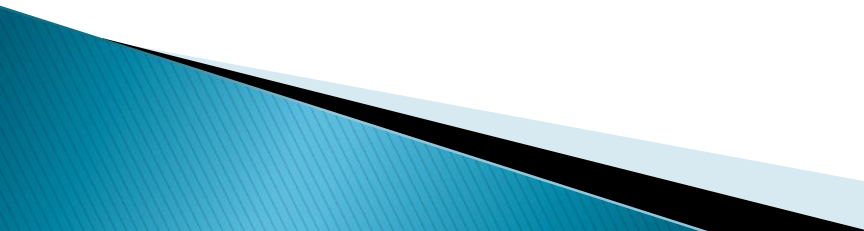
LOANS

Features of BNM's Financing Facilities to Assist Malaysian SMEs

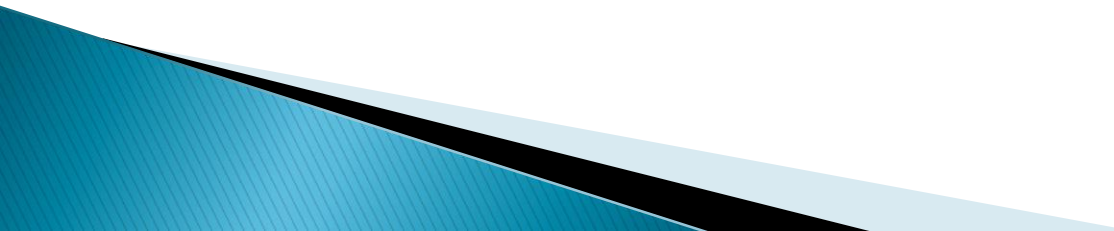
	Special Relief Facility (SRF) COVID-19	All Economic Sectors (AES) Facility	Automation and Digitalisation Facility (ADF)	Agrofood Facility (AF)	Micro Enterprises Facility (MEF)
Allocation	RM5 billion	RM6.8 billion	RM300 million (as part of AES)	RM1 billion	RM300 million
Objective	Alleviate short-term cash flow problems faced by SMEs affected by the COVID-19 outbreak	Enhance access to financing for SMEs in all economic sectors, in particular underserved SMEs, and to support growth	Incentivise SMEs to automate processes and digitalise operations to increase productivity and efficiency	Increase agrofood production for Malaysia and for exports purposes	Increase access to collateral-free financing for micro enterprises
Eligibility	Malaysian SMEs* affected by COVID-19	Malaysian SMEs*	Malaysian SMEs*	Malaysian SMEs*	Malaysian micro enterprises
Purpose	Working capital	<input type="checkbox"/> Capital expenditures; or/and <input type="checkbox"/> Working capital	Purchase of equipment, machinery, computer hardware and software, IT solutions and services, technology support services and other intangible assets to enhance productivity and efficiency	<input type="checkbox"/> Capital expenditures; or/and <input type="checkbox"/> Working capital; and <input type="checkbox"/> Development of agrofood projects	<input type="checkbox"/> Capital expenditures; or/and <input type="checkbox"/> Working capital
Financing rate	Up to 3.50% p.a. (inclusive of any guarantee fee)	Up to 7% p.a. (inclusive of any guarantee fee)	Up to 4% p.a. (inclusive of any guarantee fee)	Up to 3.75% p.a. (inclusive of any guarantee fee)	To be determined by participating financial institutions (PFIs)
Maximum financing amount	RM1 million per SME	RM5 million per SME	RM3 million per SME	RM5 million per SME	RM50,000 per micro enterprise per PFI
Maximum tenure	5.5 years, including 6 months moratorium on repayments	5 years	10 years	8 years	5 years
Availability	Until 31 Dec 2020	Open	Until 31 Dec 2020	Open	Open

*Based on the definition of SME as approved by the National Entrepreneur and SME Development Council (NESDC) with at least 51% held by Malaysians

Prihatin Special Grant

- ▶ The Government will provide a special grant of RM3,000 to each eligible SMEs.
 - ▶ These SMEs must register with the Inland Revenue Board (IRB) and Companies Commission of Malaysia (SSM) to enjoy this facility.
 - ▶ The government will obtain a list of eligible SMEs from the Local Authorities and Companies Commission of Malaysia (SSM).
- 

Rental Relief

- ▶ Rental discount will be given to businesses operated under premises owned by GLC
 - ▶ Further tax deduction, equivalent to the reduced or waived rental amount given by private premises
 - ▶ Period: April to June 2020
 - ▶ Condition: Reduction 30% from the agreed rental amount.
- 

Payment and Submission Deadline

▶ EPF

Salary month	Contribution month	Payment deadline
March 2020	04/2020	30 April 2020
April 2020	05/2020	15 May 2020 *
May 2020	06/2020	15 June 2020 *
June 2020	07/2020	15 July 2020 *
July 2020	08/2020	15 August 2020 *
August 2020	09/2020	15 September 2020 *
September 2020	10/2020	15 October 2020 *

▶ PERKESO

Contribution month	Payment deadline
April 2020	31 May 2020
May 2020	30 June 2020
June 2020	31 July 2020
July 2020	31 August 2020
August 2020	30 September 2020
September 2020	31 October 2020

TAX MATTER DURING MOVEMENT CONTROL ORDER (MCO) IN MALAYSIA

Updated on 13 April 2020

TAX FILING DEADLINES

No	Tax Returns (Forms)	Extended deadline of Filing
1.	Form E	31 May 2020
2.	Form BE	30 June 2020
3.	Form B and P	31 August 2020
4.	Form M/BT/MT/TF/TP/TJ • Do not carry on business • Carry on business	30 June 2020 31 August 2020
5.	Form C/C ₁ /PT/TA/TC	
	• Financial Year Ended 31/07/2019	30 Aril 2020
	31/08/2019	31 May 2020
	30/09/2019	30 June 2020
	31/10/2019	31 July 2020
	30/11/2019	31 August 2020
	31/12/2019	30 September 2020

OTHER FILING DEADLINES WITH INLAND REVENUE BOARD (IRB)

No	Descriptions	Extended Deadline of Filing
1.	Form CP 58 to agents, dealers, distributors for the year ended 31/12/2019	31 May 2020
2.	Form CP 21, CP 22, CP 22A , CP 22B	Forms can be submitted beginning 29 April 2020.
3.	Form Q (notice of appeal of the special commissioner of income tax) where the due date falls during the MCO period.	31 May 2020. However, as provided under Section 100 of the ITA 1967, tax payer is required to file Form N and state the delay is due to the implementation of MCO.

OTHER FILING DEADLINES WITH INLAND REVENUE BOARD (IRB)

No	Descriptions	Extended Deadline of Filing
4.	Country-by Country Reporting (CbCR)	
	• For submission of CbCR report which is due on 31 March 2020	15 May 2020
	• For submission of CbCR report which is due on 30 April 2020	31 May 2020
	• For CbCR notification for submission which is due on 31 March 2020	31 May 2020
	• For CbCR notification for submission which is due on 30 April 2020	31 May 2020
5.	Company is required to submit Form CP 204B (notification of change in accounting period which is during the MCO period.	31 May 2020

OTHER FILING DEADLINES WITH INLAND REVENUE BOARD (IRB)

No	Descriptions	Extended Deadline of Filing
6.	Submission of tax estimation (CP 204 and CP 204A) which was originally due on 31 March 2020	31 May 2020
7.	<p>3rd month revision for company with financial year ended 31/12/2020 <i>(all industries are allowed to revise their tax estimate in the 3rd month of the basis period)</i></p> <p>** please note that companies with their financial year ended other than 31/12/2020 are allowed to revise its tax estimate in the 3rd month of the basis period they are having.</p>	31 May 2020

OTHER FILING DEADLINES WITH INLAND REVENUE BOARD (IRB)

No	Description	Extended Deadline of Filing/Submission
8.	Real Property Gain Tax (RPGT) <ul style="list-style-type: none"> The deadline of filing of the RPGT return falls between 18 March 2020 to 31 May 2020 	31 May 2020
9.	Withholding Tax <ul style="list-style-type: none"> The deadline of filing of the withholding tax form falls during the MCO periods. 	31 May 2020
10.	Tax Audit / Investigation Enquiries Submission <ul style="list-style-type: none"> Submission of documents to the IRB where the due date falls between 13 March 2020 to 15 May 2020 	31 May 2020

FILING DEADLINES FOR INDIRECT TAXES (SALES TAX , SERVICE TAX & TOURISM TAX)

No	Descriptions	Extended Deadline of Filing
1.	SST – Sales Tax • Original deadline of submission is on 31/03/2020	30 April 2020
2.	SST – Service Tax • Original deadline of submission is on 31/03/2020	30 April 2020
3.	Tourism Tax • Original deadline of submission is on 31/03/2020	30 April 2020

TAX PAYMENTS WITH IRB

No	Descriptions	Extended Deadline of Payment
1.	<p>CP 204/204A (tax estimation payments)</p> <ul style="list-style-type: none"> • March 2020 and April 2020 payment which are due on 15 April 2020 & 15 May 2020 	31 May 2020
2.	<p>CP 204/204A Tax Payments Deferment</p> <ul style="list-style-type: none"> • 6 months deferment (only applicable to tour agencies, hotel operator & airlines – SME & non-SME Companies) 	<p>No payment is required from April 2020 (originally due 15/04/2020) to September 2020 (originally due 15/09/2020).</p> <p><i>Note: The deferred payment will be given automatically by the IRB. Tax payer does not need to pay the deferred payment. The balance of tax (if any) has to be settled upon the submission of the tax returns.</i></p>

TAX PAYMENTS WITH IRB

No	Descriptions	Extended Deadline of Payment
3.	<p>CP 204/204A Tax Payments Deferment</p> <ul style="list-style-type: none"> • 3 months deferment (only applicable to SME company) 	<p>No payment is required starting from April 2020 (originally due 15/04/2020) to June 2020 (originally due 15/06/2020).</p> <p><i>Notes:</i></p> <p>a) <i>The deferred payment will be given automatically by the IRB.</i></p> <p>b) <i>Business criteria for SME status:</i></p> <ul style="list-style-type: none"> ❖ <i>Have a paid up capital of less than or equal to RM2.5 million ordinary shares at the beginning of the basis period for a year of assessment; and</i> ❖ <i>Have a gross business income of RM50 million and below.</i>

TAX PAYMENTS WITH IRB

No	Descriptions	Extended Deadlines of payments
3.	CP 204/204A Tax Payments Deferment (Cont'd)	<p><i>Notes:</i></p> <p><i>c) Tax payer do not need to pay the deferred payment. The balance of tax (if any) has to be settled upon the submission of the tax returns.</i></p> <p><i>d) The deferment of payment is not subject to penalty under Section 107C(9) /107B(3) of the ITA 1967.</i></p>

TAX PAYMENTS WITH IRB

No	Descriptions	Extended Deadline of Payments
4.	CP 500 Prepayment of Income Tax Instalment by Individual • 2 months deferment for March 2020 payment and May 2020 payment.	<p>No payment is required from March 2020 (originally due 30/04/2020) and May 2020 (originally due 31/05/2020).</p> <p><i>Notes:</i></p> <ul style="list-style-type: none">a) <i>The deferment will be given automatically by the IRB.</i>b) <i>Tax payer do not need to pay the deferred payment. The balance of tax (if any) has to be settled upon the submission of the tax returns.</i>c) <i>The deferment of payment is not subject to penalty under Section 107C(9) /107B(3) of the ITA 1967</i>

TAX PAYMENTS WITH IRB

No	Descriptions	Extended Deadline of Payments
5.	<p>Monthly Tax Deduction (MTD) /"Potongan Cukai Berjadual" (PCB) and CP 38</p> <ul style="list-style-type: none"> • For the month of 01/03/2020 to 31/03/2020 • For the month of 01/04/2020 to 30/04/2020 	<p>31 May 2020</p> <p>31 May 2020</p>
6.	<p>Real Property Gain Tax (RPGT)</p> <ul style="list-style-type: none"> • For deadline of payment which falls within 18 March 2020 to 31 May 2020. 	<p>31 May 2020</p>
7.	<ul style="list-style-type: none"> • Withholding Tax • For withholding tax payments which falls during the MCO periods. 	<p>31 May 2020</p>

PAYMENTS WITH RMCD (CUSTOMS OFFICE)

No	Descriptions	Extended Deadline of Payment
1	Sales Tax and Service Tax (SST) & Tourism Tax • For payments which the original deadline falls on 31 March 2020.	30 April 2020

ADDITIONAL TAX DEDUCTION FOR LANDLORD

Additional Tax Deduction for Landlord	Qualifying Person (Landlord)	Supporting Documents to be Kept
<p>Tax Deduction for landlord who give rental discount of at least 30% to their tenant (SMEs); or waiver of the rental to SMEs for the month of April 2020 to June 2020.</p>	<p>Any tax payers (companies and non-companies)</p> <ul style="list-style-type: none"> • Companies • Individuals • Cooperatives • Other business and non-business entities who rent business premise to any SMEs. 	<ul style="list-style-type: none"> • Official tenancy agreement. • Rental Income Statement. • Certification of SME status of tenant. • Certification of reduced rental (to be prescribed under the rules that are to be gazetted).

ADDITIONAL TAX DEDUCTION FOR LANDLORD – DEFINITION OF SME

- *The definition of SME is as per definition stated in the Bank Negara's website.*

Business Category	Sector	Annual Sales Amount based on Immediate Preceding Year of Assessment (YA)	Number of Fulltime Employee at the end of the Immediate Preceding YA or as at 01/04/2020
Micro	All Sector	Less than RM300,000	Less than 5
Small	Manufacturing	RM300,000 to less than RM15 million	5 to less than 75
	Services & Other Sectors	RM300,000 to less than RM3million	5 to less than 30
Medium	Manufacturing	RM15 million to not exceeding RM50 million	75 to not exceeding 200
	Services & Other Sectors	RM3 million to not exceeding RM20 million	30 to not exceeding 75

ADDITIONAL TAX DEDUCTION FOR LANDLORD – EXAMPLE OF ADDITIONAL TAX DEDUCTION

- Example:

ABC Sdn Bhd (financial year ended 31/12/2020) rented its premises to a SME company for RM5,000 per month. ABC Sdn Bhd agreed to give a discount of RM2,500 per month for the month of April, May and June 2020. Thereafter, rental for July 2020 to December 2020 will resume as RM5,000 per month.

The computations of tax payable for the company are as follows:-

ADDITIONAL TAX DEDUCTION FOR LANDLORD – EXAMPLE OF ADDITIONAL TAX DEDUCTION

	No Special Deduction (RM)	With Special Deduction (RM)
Amount of Rent	60,000	60,000
Reduced Rental (3 X RM2,500)	(7,500)	(7,500)
Gross Annual Rental Income	52,500	52,500
<i>Special Deduction</i>	-	(7,500)
Chargeable Income	52,500	45,000
Tax Payable @ 24%	12,600	10,800

TAX DEDUCTION INCENTIVE

- Tax deduction will be given to a person who donates to the following approved institutions:-

No	Donate To	Kind of Donation
1.	Covid-19 Fund (MOH)	Cash & Goods
2.	Covid-19 Fund (National Disaster Management / Prime Minister's Department)	Cash only
3.	Donations to approved institutions /organizations that are approved under subsection 44(6) , ITA 1967	Cash

**STATUTORY FILING DEADLINES –
INITIATIVES BY SURUHANJAYA
SYARIKAT MALAYSIA IN RESPECT OF
THE MOVEMENT CONTROL ORDER
ARISING FROM COVID-19 PANDEMIC**

(UPDATED AS OF 13 APRIL 2020)

1. ONLINE STATUTORY FILING BY COMPANIES AND ONLINE SERVICES AVAILABLE

As of to-date, only the following Suruhanjaya Syarikat Malaysia (**SSM**) online services are available during the MCO period :-

(A) Online Submission via MyCoid System

- (a) Name Search application & Incorporation of New Company;
- (b) Lodgement of new Constitution & Allotment of Shares;
- (c) Registration of Charges; and
- (d) Changes in Particulars of Directors/Secretaries/Registered Office/Shareholders.

Please inform us of any changes on the above pertaining to your Company in order to ensure timely online submission to SSM. If you have any doubts on matters falling under the above, feel free to email us for further advice.

(B) Online Services via SSM e-info Portal & My Data

- (a) Company Profile without/with Certified True Copy (CTC); and
- (b) Business Profile without/with CTC.

As per SSM's advice, kindly be informed that the Company/Business Profile is subject to the latest data updated by SSM system or officers prior to the commencement of the MCO.

2. MANUAL FILINGS, ANNUAL RETURN AND AUDITED FINANCIAL STATEMENTS

An automatic moratorium of **30 days** from the last date of the MCO to facilitate the filing of statutory documents per SSM's requirements has been granted to all companies. This also applies to all statutory manual filings via SSM counters.

As the MBRS online system for company's Annual Return submission is still suspended, companies with Annual Returns due for filing during the MCO period will have their submission deadline extended accordingly.

The deadline to submit financial statements (FS) has also been extended for **90 days** and this applies to companies with financial year end from 30 September 2019 to 31 December 2019. The type of extensions granted are as follows:-

- a) Extension of Circulation of FS (vs Companies Act 2016's stipulated deadline of 6 months from financial year end).
- b) Extension of Lodgment of FS (vs Companies Act 2016's stipulated deadline of 30 days from circulation date).
- c) Extension of date to hold the AGM (vs Companies Act 2016's stipulated deadline of 6 months from financial year end).

Companies may start to submit their applications for extension of time to SSM. Application fees are waived and no late charges will be imposed on these companies.

This write-up is prepared as of 13 April 2020, for general information purposes only. Recipients should not act upon it without seeking specific professional advice tailored to your circumstances, requirements or needs. If you have any enquiries, you may contact the following person in charge:

SME Package:

Person in charge	Office email address
Lee Lai Kuan	laikuan_heritage@gep.com.my
Vivian Lim	vivian@gep.com.my
Liew Wei Hon	weihon@gep.com.my
Patrick Ang	patrick@gep.com.my
Pauline Lye	pauline@gep.com.my
Foong Kok Keong	foongkk@gep.com.my

Tax Matters:

Person in charge	Office email address
Foong Kok Keong	foongkk@gep.com.my
Leong Soon Yee	soonyee@gep.com.my
Henry Yee	henryyee@gep.com.my
Jasmine Gong	jasmine@gep.com.my

Secretarial Matters:

Person in charge	Office email address
Catherine Foo	catherine@excel.net.my
Pauline Lye	pauline@gep.com.my
Hum Weng Yew	hwy_cast@gep.com.my
Gong Wooi Kwong	gongmgmt@gmail.com