

13 JULY 2021

COVID-19: PEMULIH Relief Package

Contact Persons:

Datuk D P Naban
Senior Partner
Tax, SST & Customs Practice
☎ +603 6209 5405
✉ naban@rdslawpartners.com

S Saravana Kumar
Partner
Tax, SST & Customs Practice
☎ +603 6209 5404
✉ sara@rdslawpartners.com

On 28 June 2021, the Prime Minister, YAB Tan Sri Dato' Haji Muhyiddin bin Haji Mohd Yassin, unveiled the RM 150 billion National People's Well-Being and Economic Recovery Package (PEMULIH). This initiative aims to help reduce the impact of the further extended Phase 1 Movement Control Order which forms part of the 4-Phase National Recovery Plan implemented due to the COVID-19 pandemic.

The PEMULIH package is implemented with 3 main focuses, namely (i) to uphold the *Prihatin Rakyat* agenda, (ii) to support businesses and (iii) to expedite the national vaccination programme.

This alert focuses on the main measures that will be implemented through the PEMULIH package.

1. What are the main initiatives for the *Prihatin Rakyat* agenda under PEMULIH?

Cash assistance

- RM10 billion cash assistance via the *Bantuan Prihatin Rakyat Tambahan* (BPR) and *Bantuan Khas Covid-19* (BKC) programme.

(Refer to Q 2 below for more information.)

Food basket programme

- RM 300,000 will be allocated to each Member of Parliament to carry out a food basket programme in their respective constituencies to help affected groups.
- RM 10 million will be allocated to the food basket programme for the indigenous community.

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Employment and assistance for the loss of employment

- RM 500 assistance to those who have lost their jobs based on the data from the Employees Provident Fund and the Social Security Organisation (PERKESO).
- RM 125 million will be allocated to implement the "Place and Train" initiative under the *Janapreneur* programme for school leavers and graduates.
- Expand the allowances for employment seekers to non-PERKESO contributors with the priority to be given to fresh graduates and workers in the informal sector. Eligible individuals may be eligible to receive an allowance of at least RM 300.

Moratoriums

- 6-month postponement for the repayment of the JPA federal student loans as well as for the federal scholarship recipients' compensation claims.
- 6-month moratorium for all individual borrowers and micro entrepreneurs. All applications will be automatically approved with no documents required.
- Targeted moratorium for 3 months for Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN) borrowers.
- Affected insurance and takaful policyholders can apply for a deferment of payment until December 2021 via the opt-in programme.

Others

- Electricity bill discount of between 5% to 40% will be granted for domestic users for 3 months. The discount will be granted in accordance with the electricity usage of the respective users for up to a maximum of 900kwh per month.

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- Retail price for RON95 petrol, diesel and liquified petroleum gas will be maintained by an expected subsidy of more than RM6 billion for this year.
- RM 15 million is allocated to non-governmental organisations (NGO) to assist the government in combatting social issues such as mental health, homelessness and other social issues.
- RM 18 million allocation for local banks to provide 30 mobile banks nationwide.
- Free daily data of one gigabyte will extended until 31 December 2021.

2. Who would be eligible for the cash assistance via the additional *Bantuan Prihatin Rakyat* (BPR) and *Bantuan Khas Covid-19* (BKC) programme under PEMULIH?

The eligible households/individuals for the additional BPR and BKC programme and the cash assistance allocated for each group are as follows:

Additional BPR programme

Category	Cash Assistance (RM)
Household incomes of less than RM2,500	500
Household incomes of between RM2,501 and RM5,000	300
Single individuals with an income of less than RM2,500	100

BKC programme

Category	Cash Assistance (RM)	
	Household	Single
<i>Miskin Tegar</i>	1,300	500
B40	800	200
M40	250	100

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3. What are the main measures implemented to support businesses?

Prihatin Special Grant 4.0 programme

- A one-off subsidy of RM500 will be granted to the micro-SMEs in September and November 2021.

Salary Subsidy Programme (PSU) 4.0

- The RM 4,000 salary limit for the PSU programme will be removed and via the PSU 4.0, a salary subsidy of RM 600 per worker will be granted for 4 months. This will apply for up to 500 employees for each employer.

Cash assistance

- One-off RM 3,000 cash assistance will be given to the following communities:
 - Registered travel agencies
 - Sports facilities' operators
 - Nursery operators
- One-off RM 1,000 cash assistance will also be given to all canteen operators.

Discounts/Exemptions

- Electricity bill discounts of 10% for affected economic sectors will be extended for another three months from October to December.
- 2-month exemption on the Human Resource Development Corporation levies for employers that are not able to operate during the Movement Control Order will be automatically granted.

Tourism industry

- Postponement of monthly income tax instalments for companies in the tourism industry.

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- Exemptions will be granted to hotel operators in relation to the tourism and service taxes until the end of the year.

Syarikat Jaminan Pembiayaan Perniagaan Bhd (SJPP) Scheme

- The limit for the SJPP government guarantee scheme for companies will be increased by RM 20 billion.

Other key allocations:

- RM 200 million to assist the micro-SMEs and RM 100 million for the SMEs under the Small Entrepreneur Digital Empowerment Programme.
- RM 100 million has been allocated in the form of financing facilities to support the local creative and arts industries.
- RM 20 million has been allocated for the *Jaringan Inisiatif Umum* programme which aims to provide basic business capital assistance and guidance to the disabled and homeless to start their own business.

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4. What are the main measures planned to expedite the national vaccination programme?

As part of the initiatives to escalate the national vaccination rate, the government will be allocating RM 400 million for the procurement of additional vaccines which would increase the supply of vaccines to be sufficient for 130% of the Malaysian citizens.

The government has allocated RM 200 million for its efforts to increase the number of vaccination centres (PPVs) available to facilitate the administration of vaccines as well as to implement drive-through vaccinations, mobile vaccinations and Outreach Home-to-Home programme.

Contact Persons:

Datuk D P Naban

Senior Partner

Tax, SST & Customs Practice

+603 6209 5405

naban@rdslawpartners.com

S Saravana Kumar

Partner

Tax, SST & Customs Practice

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sara@rdslawpartners.com



The allowances for the healthcare volunteers on duty for more than 12 hours a day will be increased from RM 50 to RM 100. The PPVs will also operate for 7 days a week.

Additionally, RM 150 million will also be allocated for the Public-Private Partnership Immunisation (PIKAS) programme to encourage more companies and industries to use their premise as PPVs.

Authored by Rowena Ng Zhi Ying, a pupil with the firm's Capital Markets and M&A Practice.

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