



Special Highlights



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Building Back Better for Malaysian MSMEs

The rapid worldwide spread of the COVID-19 pandemic has had a severe, unparalleled impact on the global economy. Unprecedented lockdowns in most countries such as the United States, United Kingdom, China and Japan, aimed at containing the virus has resulted in profound global supply chain disruption, wide-scale retrenchment, abrupt fall in incomes and collapse in global demand.

It was indeed a wake-up call for Malaysia. Being an open economy, Malaysia was adversely affected by the health crisis which gravely impacted its key domestic sectors namely manufacturing, services, agriculture and construction. The impact from containment measures imposed by the Government had precipitated supply chain disruption, lower demand, high unemployment, weak consumer sentiment and low business confidence throughout the country. It inevitably caused a sharp drop in output that resulted in excess capacity.

The prolonged pandemic continued to adversely affect the domestic economy with majority of local businesses struggling to survive and corporate earnings in many industries deteriorating. Malaysia's economy contracted by 5.6% in 2020, which was the country's worst performance in terms of economic growth since the 1997 Asian Financial Crisis. Amidst growing signs of economic recovery as a direct result of strategic measures undertaken by the Government in managing the economic crisis since 2020, the country's overall Gross Domestic Product (GDP) recorded an encouraging growth of 3.1% in 2021 ⁽¹⁾.

Recognising the fact that adopting a 'business-as-usual' approach in dealing with the post-COVID-19 pandemic challenges was never an option, the Malaysia Government has been intensifying its efforts to help, particularly the MSMEs, by implementing income raising initiatives and capacity building programmes in urban and rural areas, as well as by encouraging entrepreneurship and facilitating access to financing facilities. As some of the vulnerabilities and weaknesses exposed by the pandemic are not new, but rather aggravated by the crisis, the Government is taking this adversity as an opportunity to reform the economy and 'build back better' ^[2].

In building back better, guided by the Wawasan Kemakmuran Bersama 2030 (WKB 2030), the Rancangan Malaysia Kedua Belas (RMKe-12) plays a pivotal role in driving the national economic transformation in the new post-COVID-19 crisis landscape. RMKe-12 envisions that 90.0% of MSMEs will digitalise their business operations by 2025 ^[3]. Prioritising MSME digitalisation as a national agenda is a powerful game changer for the economy. It enables MSMEs to transform, compete and penetrate global markets. MSMEs will be equipped with the skills to enable digitalisation of their business processes by the year 2025. They will also be assisted to produce products and services on par with international standards to enhance competitiveness ^[4].

Apart from supporting more inclusive growth strategies and addressing MSME wellbeing following the pandemic, accelerating MSME adoption and adaptation to digital innovation, are key to building back a stronger economy. Budget 2022 has focused on providing incentives to encourage more MSMEs to adopt digital technology, where by RM400 million has been set aside for enhancing digitalisation, technology and innovation.

The Government has undertaken a series of strategic measures in the forms of policies, strategies and facilities in managing the crisis since the start of the pandemic. The year 2021 saw the introduction of several more stimulus packages and a myriad of new initiatives to cushion the impact of the pandemic on MSMEs. A total of 16 financial aid initiatives were launched for MSMEs in 2021, which were announced under Budget 2021, PERMAI, PENJANA and PEMERKASA economic stimulus packages.

The strategic measures have proven to be effective in mitigating the impact on MSMEs and further reinforced by the country's strong economic fundamentals, MSMEs rebounded to a positive growth in 2021, contributing 37.4% to GDP, 47.8% to employment and 11.7% to exports. Despite a lower contribution to the Malaysian economy, it was undoubtedly a noteworthy accomplishment amidst the prevalent domestic and global challenges brought about by the pandemic ^[2].

Malaysia's economy is now on a stronger recovery path following a successful vaccination drive and the full withdrawal of movement restrictions. Economic activities have picked up since all 13 states and three federal territories transitioned into Phase Four of the National Recovery Plan as of 3 January 2022. With less restrictive measures in business operations and further expedited by the reopening of the country's borders on 1 April 2022 as part of the national move to transition into the endemic phase, all economic sectors in Malaysia have gradually returned to normal ^[5].

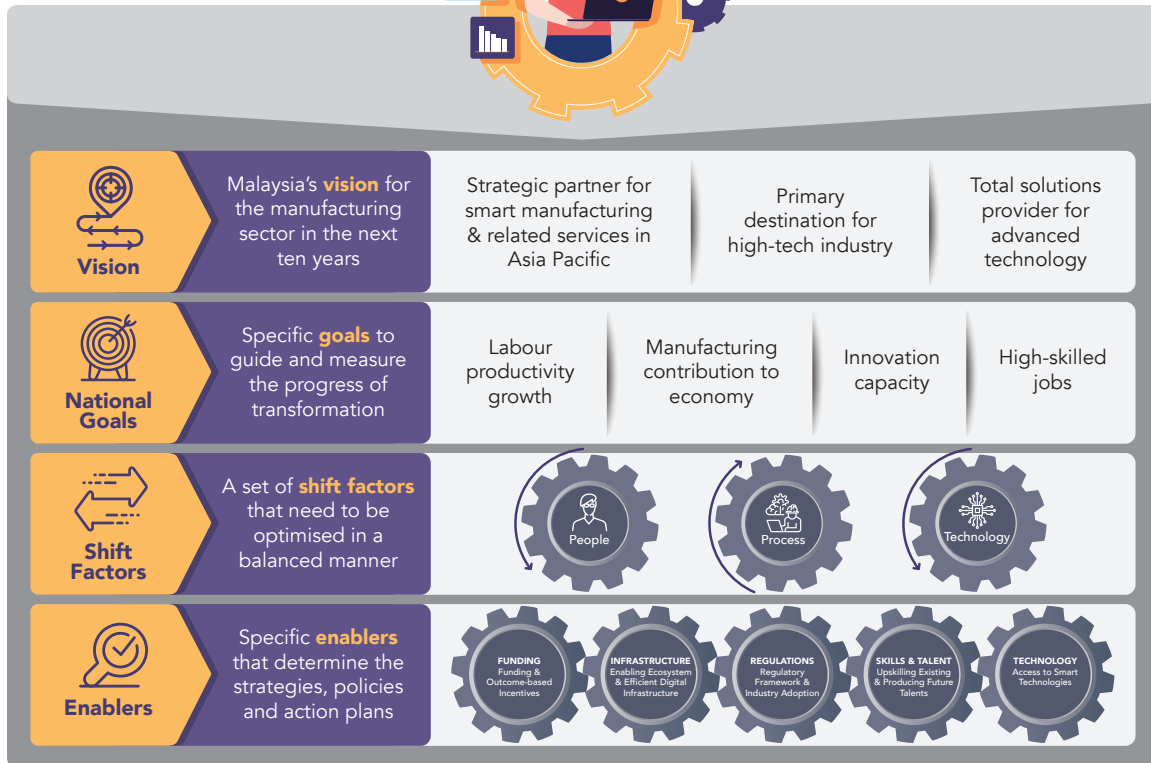
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The Government is steadfast in its aim of establishing a conducive and holistic MSME ecosystem by enhancing the entrepreneurial capabilities of MSMEs and strengthening the business landscape, in order to ensure that MSMEs remain on the path of gradual recovery and further beyond to ultimately become sustainable and globally competitive players. In building back the economy to last in the digital age post-pandemic, a whole-of-nation approach involving the Government, regulators, private sector, civil society organisations and financial institutions is essential to steer oncoming challenges and opportunities ahead. The Government is geared to ensure that programmes and initiatives that address the diverse needs of MSMEs are made accessible to all MSMEs nationwide. Most importantly, MSMEs must seize the opportunity to utilise the resources available to help accelerate their economic recovery and spur forward into the future.

Among the major initiatives undertaken by the Government in 2021 that have been instrumental in facilitating the recovery of MSMEs and aimed to further stimulate MSME development for the medium to long term until 2030 are:



National Policy on Industry 4.0 (Industry4WRD)



Source: Industry4WRD report, Ministry of International Trade and Industry

Industry4WRD targets to transform the Malaysian manufacturing industry and its related services into one that is smarter, more systematic and resilient. The Industry4WRD Readiness Assessment (RA) evaluates SME capabilities and readiness to adopt IR 4.0 technologies and processes, identifies gaps and areas for improvement as well as developing feasible strategies and plans to close such gaps.

The Government provides full financing to qualified SMEs to undergo the RA while other firms can obtain a once-off tax cut of up to RM27,000 to implement it. Once the RA is implemented, the firm will receive a comprehensive report on their level of readiness with regard to human capital development, processes and technology as well as strategic intervention plans. A total of 1,056 SMEs have participated in the RA programme since 2019.

The Government has approved a ceiling allocation of RM100 million for the Industry4WRD-RA and Intervention Fund under the RMKE-12. An allocation of RM14 million has been provided for Industry4WRD-RA for the 2021 - 2025 period.

INTERVENTION FUND

The Industry4WRD Intervention Fund is a financial support facility designed to assist SMEs in the manufacturing and related services sectors to make the leap to IR 4.0. All SMEs that have completed the Industry4WRD-RA programme are eligible for the financing. Funding is provided through a 70:30 matching grant based on eligible expenditure up to a maximum of RM500,000.

The fund received 355 applications in 2021, of which 187 companies approved were awarded a total of RM66 million in grants. The fund will continue to be implemented throughout the RMKe-12 period with a ceiling of RM86 million in allocation and a key performance indicator (KPI) of a minimum approval rate of 172 SMEs.

The programme is designed to drive firms to achieve the following capabilities:

- faster delivery (shorter time from ideation to production);
- higher product quality with less defects (better quality control with a reduction in manual inspection);
- greater flexibility (adjusting to changes and greater capability for innovation);
- optimisation of processes through better system integration and greater efficiency; and
- greater competitiveness.

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PUBLIC-PRIVATE PARTNERSHIP COVID-19 INDUSTRY IMMUNISATION PROGRAMME (PIKAS)




The Public-Private Partnership COVID-19 Industry Immunisation Programme (PIKAS) was part of Phase 4 of the National COVID-19 Immunisation Programme to accelerate vaccination for Malaysians. PIKAS targeted to increase the vaccination uptake of workers in critical manufacturing sub-sectors in the supply chain such as electrical & electronics, food processing, iron & steel, medical devices, personal protective equipment, oil & gas and rubber products including medical glove manufacturing, in order to reduce the number of COVID-19 workplace clusters and consequently help to accelerate Malaysia's economic recovery.

PIKAS operated under two models, namely vaccination at common-use vaccination centres and on-site in factory premises or approved locations initiated by a company. Workers of companies who registered for PIKAS were vaccinated for free, but employers were required to pay the vaccine administration costs of RM45 per dose per worker. Based on this cost, RM15 was to cover vaccine administration costs payable to



ProtectHealth, a non-profit entity under the Ministry of Health, services of medical practitioners & nurses and logistics arrangements for the vaccine. Meanwhile, RM30 was for management of the vaccination centres, disposal of medical wastes, ambulance, security and other related services. Companies that opted for the on-site model paid RM15 per dose per worker and were also required to set up vaccination centres within their factory premises or at an approved location.

In order to encourage employers to register their workers for PIKAS, the Government on 28 June 2021 has allocated RM150 million under Pakej Perlindungan Rakyat dan Pemulihan Ekonomi (PEMULIH) to provide the following incentives:

-  Employers who are registered with the Human Resource Development Corporation (HRD Corp) can use up to 10.0% of the balance of their current levy to pay for the vaccine administration cost.
-  Tax deduction for the employer on expenses, including the cost of equipment and services for setting up a vaccination centre on-site. Additionally, tax deductions were also extended to contributions made through community or charitable projects to vaccination centres.
-  A company will be given consideration to operate at full capacity when all employees are fully vaccinated (received two doses of vaccine).

Throughout the programme, a total of 1,005,128 workers were vaccinated between its launching on 16 June 2021 and up to its conclusion on 31 October 2021. Of the total, 962,382 were fully vaccinated.

MALAYSIA PLASTICS SUSTAINABILITY ROADMAP (MPSR) 2021 - 2030

Since the onset of the pandemic, the Government has implemented a sizeable number of programmes aimed at addressing the needs of MSMEs. The overarching goal has been to provide business owners with the support and funds in the immediate term. The pandemic has also forced many businesses to re-think how they measure their success and performance. Before COVID-19, most businesses focused largely on managing profitability and growth. What this crisis has revealed is the importance of adaptability, resilience, and sustainability as these aspects are now truly critical in business. The prospects of recovery depend on it. In line with this, the MPSR 2021 - 2030 was developed by Ministry of Environment and Water (KASA) to assist them on their sustainability journey.

MPSR 2021 - 2030, which was launched on 10 December 2021, complements Malaysia's Roadmap towards Zero Single Use Plastics 2018 - 2030, the goal of which is to reduce the impact of single-use plastics on the environment. The roadmap takes a phased and holistic approach to drive the country's agenda for a sustainable plastic economy based on the principles of circularity.

A circular economy for plastics aims at designing out waste and pollution, whereby plastics at the end of lifecycles are to be re-used, recycled or disposed of in a clean and sanitary manner and safely returned to nature if there is a leakage from collection systems. Such an approach is not only beneficial to the environment and public health but also spurs innovation in materials and processes.

The roadmap outlines strategies and action plans, including policy, regulations, technology, research & development as well as financing for plastic from production to end-of-life treatment, with the goal of achieving a greater level of plastic circularity in Malaysia.

What is envisioned is a shift of the entire plastic value chain from the linear to a circular ecosystem, including design innovation, supply chain collaboration, a high-value recycling industry, resource efficiency as well as accountability of manufacturers and brand owners in managing the end-of-life impact of their products.



One of the strategies of the roadmap is Extended Producer Responsibility (EPR) scheme, whereby producers are held responsible to recover and manage their post-consumer waste. EPR will be implemented in phases from advocacy to adoption of voluntary EPR schemes among industry players beginning in 2022 until 2025. This will be followed by the introduction of a mandatory EPR scheme by 2026 that will be supplemented by a legal framework to ensure its workability and ease of monitoring.

Multinationals and MSMEs can contribute to realising the vision of the roadmap to balance economic growth with environmental protection by building sustainable and inclusive business models that fit in with the needs of the global supply chains as well as by:

- Adapting and adopting a sustainability agenda in their business model such as EPR and improving sustainability design as well as developing a dedicated MSME EPR implementation plan that is aligned to the MSME ecosystem and readiness;
- Empowering the informal sector within the MSME ecosystem; and
- Participating in the circular economy training programme to be rolled out in 2023, that is currently being developed by KASA.

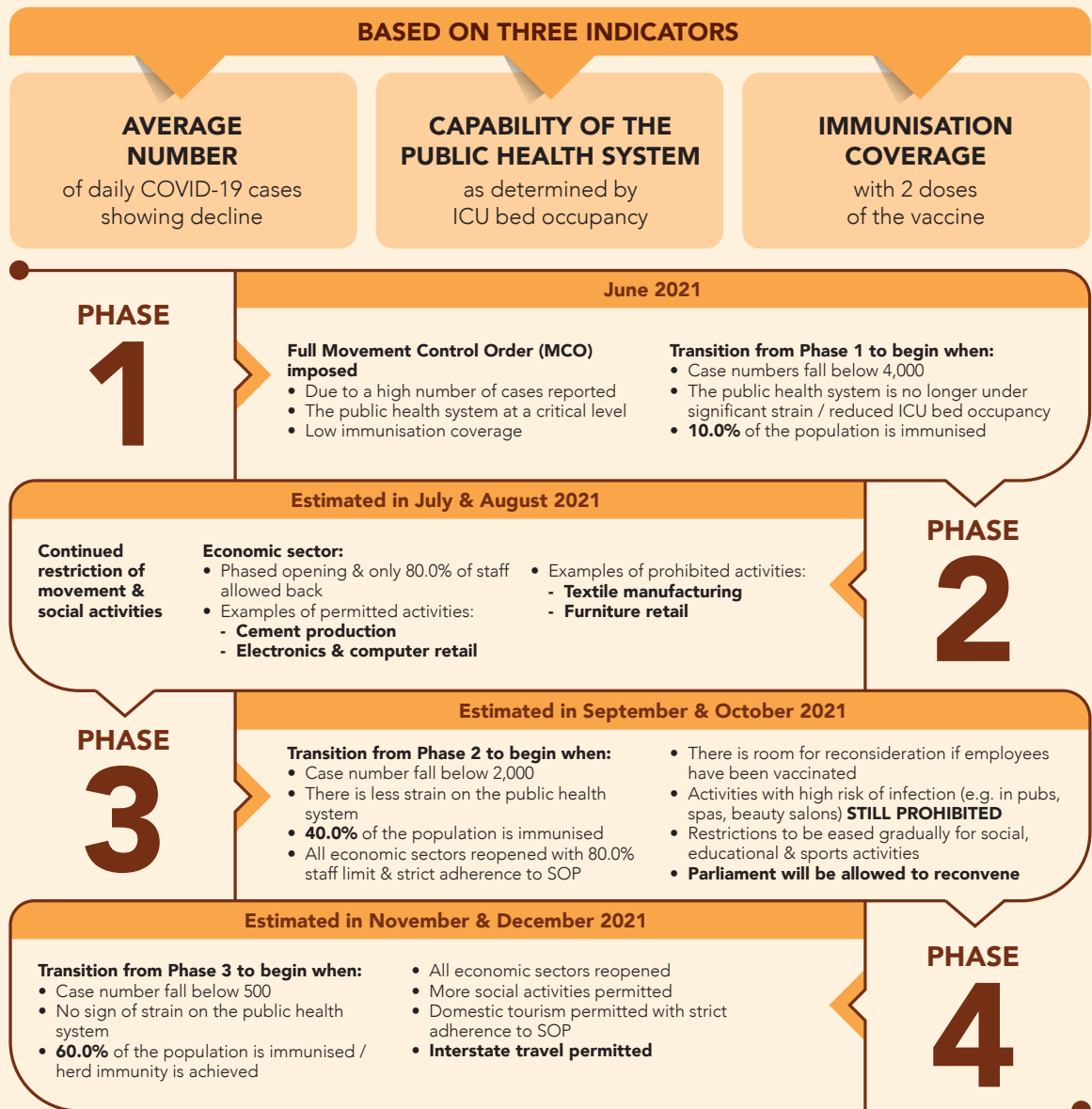
Recycling and the wider circular economy innovations are often misunderstood and not perceived as investable by financial institutions. Government intervention would help to facilitate financing and enable innovative MSMEs to grow and contribute towards plastic circularity and sustainable businesses.

Box Article

Recovery Initiatives in 2021 and 2022



THE NATIONAL RECOVERY PLAN



Source: Prime Ministers Office

The National Recovery Plan (NRP) is a four-phase plan to ease restrictions cautiously and safely, anchored on vaccinating the population. Through the NRP, the Government aims to ease restrictions in a manner that achieves five objectives to protect lives and livelihoods to:

- i. protect public health by managing transmissions, minimising hospitalisations and deaths;
- ii. ensure that the healthcare system can cope in a sustainable manner;
- iii. deploy vaccinations as quickly as possible to protect the Rakyat;
- iv. reopen society and the economy as fairly and as quickly as possible; and
- v. be responsive and flexible in adapting to the evolving environment.

The NRP lays out guidelines for each phase, as well as three thresholds that indicate a shift in phase could be considered. It consist of four areas of focus which are:

- Strengthening the Healthcare Response to the Pandemic
- Immunising the Rakyat
- Supporting the Rakyat and Businesses
- Moving towards the Next Normal

Businesses have been severely impacted due to the COVID-19 pandemic. Starting from the first Movement Control Order (MCO) in March 2020, many businesses were forced to close their doors. These closures led to major losses in revenue, which in turn impacted the ability of the businesses to pay their employees, service their loans, pay rent and other bills. To address these challenges, the Government is providing various assistance programmes to businesses and employees.

ECONOMIC STIMULUS PACKAGES IN 2021 AND BUDGET 2022

The Government has allocated a total of RM75.8 billion specifically to assist the MSMEs directly and indirectly through various economic stimulus packages in 2021 and Budget 2022. The implementation of these initiatives and programmes will be able to assist MSMEs in easing cash flow constraints, enhance business resiliency and enable them to recover gradually, in line with the economic growth forecast.

The Economic Stimulus Packages in 2021 consist of Perlindungan Ekonomi dan Rakyat Malaysia (PERMAI), Program Strategik Memperkasa Rakyat dan Ekonomi (PEMERKASA), PEMERKASA+ and Pakej Perlindungan Rakyat dan Pemulihan Ekonomi (PEMULIH).

PERMAI - RM4.5 BILLION

Key initiatives include:

Access to Financing (RM1.7 billion)

- RM1 billion for guarantee facility through Syarikat Jaminan Pembiayaan Perniagaan (SJPP) to introduce Bus and Taxi Hire Purchase Rehabilitation Scheme
- RM650 million for PERMAI Prihatin Special Grant
- RM66 million allocated for tourist guides, drivers of taxis, school buses, tour buses, rental cars and e-hailing vehicle with RM500 one-off financial assistance
- Expand financing amount and scope of Danajamin PRIHATIN Guarantee Scheme
- Continuation of MARA PRIHATIN: Peace of Mind 2.0

Human Capital Development (RM1 billion)

- RM1 billion for enhanced Wage Subsidy Program 3.0 under SOCSO whereby all employers operating in the MCO states will be eligible to apply, irrespective of sectors
- RM24 million allocated to fund the full contribution under SOCSO's Self-Employment Social Security Scheme
- Relax the conditions for the Employment Insurance System or SIP PRIHATIN

Enhancing Digitalisation, Technology and Innovation (RM500 million)

- RM500 million facility for free 1GB data initiative will be extended until 30 April 2021
- Tax exemptions for computers, handphones and tablets worth below RM2,500 to be extended until 31 December 2021

Development of Microenterprises (RM1 billion)

- RM1 billion microcredit facilities including soft loans amounting to RM390 million by Bank Simpanan Nasional, RM350 million by Agrobank and RM295 million by TEKUN

Access to Market (RM300 million)

- RM300 million to accelerate the implementation of the SME and Micro SME e-Commerce Campaign and Shop Malaysia Online Campaign

PEMERKASA - RM8.6 BILLION

Key initiatives include:

Access to Financing (RM2.1 billion)

- RM2 billion for Targeted Relief and Rehabilitation Facility by Bank Negara Malaysia (BNM)
- RM50 million under SME Corp. Malaysia for financing worth up to RM250,000 at an interest rate of 3.0%
- RM50 million matching grant to develop the aerospace and medical device industries
- RM26 million for increase in Disabled Workers Allowance from RM1,200 to RM1,500 per month
- RM10 million allocation in the form of 70.0% grant under SOCSO for women entrepreneurs and self-employed women
- Limit of fundraising for alternative financing to increase from RM10 million to RM20 million and equity crowdfunding will be extended to unlisted limited companies
- Establishment of MySDG Trust Fund as a platform that allows funding from various sources to finance projects that meet the SDG criteria
- The launch of Sustainable Sukuk amounting to no less than USD1 billion
- Increase the indebtedness threshold from RM10,000 to RM50,000 to avoid companies from facing winding up action by Suruhanjaya Syarikat Malaysia (SSM)

Development of Microenterprises (RM1.5 billion)

- RM1 billion for one-off assistance of RM1,000 to benefit approximately one million microenterprises and SMEs under the Geran Khas Prihatin or GKP 3.0
- RM450 million additional fund for micro credit financing facilities through programmes under BSN, TEKUN and MARA
- RM50 million for Skim Pembiayaan Mikro PEMERKASA-NITA under BSN to encourage women entrepreneurs to venture into business

- RM25 million for Skim Mikrokredit ISTIMEWA under BSN for the disabled to venture into business with a financing limit of up to RM50,000 with an interest rate as low as 3.0%
- Skim Pembiayaan Mikro PEMERKASA-BELIA under BSN for youth to venture into business with financing of up to RM50,000 with an interest rate as low as 3.0%.
- RM15 million for one-off Special Assistance Grant of RM3,000 for more than 5,000 travel agencies registered with MOTAC
- One-off cash assistance of RM600 for homestay operators registered with MOTAC

Enhancing Digitalisation, Technology and Innovation (RM1.2 billion)

- RM700 million for Automation and Digitalisation Facility by BNM
- RM200 million financing for the development of automation, digitalisation and utilisation of green technology under MIDF, with reduction of loan interest rate from 5.0% to 3.0% for a period of 12 months starting 1 April 2021
- RM200 million soft loans will be provided to finance the purchase of machines with a grant incentive of up to 20.0% on the machine value under SME Bank
- RM50 million will be provided for the Smart Automation Grant under MIDA for SMEs and mid-tier companies to improve operational and manufacturing efficiencies
- RM50 million will be provided for Industry4WRD programme to support IR 4.0 under MITI

Human Capital Development (RM1 billion)

- RM700 million for extension of Wage Subsidy Program 3.0 under SOCSO for another three months to targeted sectors mainly tourism, wholesale & retail and other sectors closed during MCO e.g. gym & spa, sport centres
- RM300 million will be allocated under SOCSO for Penjana Kerjaya 2.0 by expanding the scope of recruitment incentives to include temporary employment and gig employment
- RM10 million is allocated for Program Pemerkasaan Ekonomi Komuniti Bandar under KPKT to encourage participation of urban youths in entrepreneurial projects

Access to Market (RM50 million)

- RM30 million is allocated for women entrepreneurs through Micro and SMEs e-Commerce Campaign as well as Shop Malaysia Online Campaign
- RM20 million is allocated to KPWKM to assist entrepreneurship among disabled and senior citizens to market their bakery products and handicrafts

Development of Bumiputera SMEs (RM60 million)

- RM50 million for PRIHATIN Micro Business Financing Scheme under MARA to assist Bumiputera microenterprises, with maximum financing amount of RM50,000 with an interest rate as low as 3.0%
- RM10 million for Tunas Usahawan Belia Bumiputera (TUBE) programme to produce a total of 250 new Bumiputera youth entrepreneurs

Other Measures (RM2.6 billion)

- RM2.5 billion additional allocation for small-scale projects in 2021 (from RM2.5 billion)
- RM135 million allocation for a three-month extension until 30 June 2021 of 10.0% special discount on electricity bills to reduce the business costs

PEMERKASA+ - RM4.1 BILLION

Key initiatives include:

Access to Financing (RM2 billion)

- RM2 billion for Targeted Relief and Recovery Facility (TRRF) with an interest rate of 3.5% for affected SMEs by BNM

Human Capital Development (RM1.5 billion)

- RM1.5 billion for one-month extension of the Wage Subsidy Programme under SOCSO for all affected economic sectors, with a limit of 500 employees per application
- Employees may improve their knowledge and skills for free through e-Latih portal, which offers 400 modules and skills courses

Development of Microenterprises (RM0.6 billion)

- RM500 million for an extra RM500 to almost one million SMEs and microenterprises under Prihatin Special Grant (GKP), thus bringing the total amount to RM1,500 per business
- RM68 million for one-off assistance of RM500 to tourist drivers, taxi drivers, bus drivers and charter & e-hailing drivers to be channelled through Land Public Transport Agency (APAD) in July 2021

PEMULIH - RM8.7 BILLION

Key initiatives include:

Human Capital Development (RM3.9 billion)

- RM3.8 billion for Wage Subsidy Programme 4.0 under SOCSO whereby eligible employers will receive a wage subsidy of RM600 for a period of four months for each employee (up to 500 employees) with no salary limit conditions are set and employers can apply for employees who earn more than RM4,000 / month
- Extension of PenjanaKerjaya 3.0 programme
- RM125 million for Place and Train initiative particularly for graduates and youth

Development of Microenterprises (RM2.2 billion)

- RM1.1 billion additional fund for micro credit financing facilities through programmes under BSN, Agrobank and TEKUN
- RM1 billion for Prihatin Special Grant 4.0 (GKP 4.0)
- RM37.2 million for Bantuan Khas Taska
- RM30 million for disabled persons who have lost their jobs or unemployed and not a recipient of Disabled Workers Allowance at RM500 per pax for three months
- RM20 million for Program Jaringan Inisiatif Umum

Access to Financing (RM2.1 billion)

- RM2 billion additional financial assistance under BNM's fund for SMEs
- RM100 million financing facilitation and financial assistance to support artist
- RM20 million for Cooperative Economic Recovery Intervention Funding programme of which entrepreneurs collectively through cooperatives may conduct economic activities

- RM15.9 million for one-off cash assistance of RM3,000 to more than 5,300 registered travel agencies once transitioned to third phase of Pelan Pemulihan Negara
- Three-month loan moratorium or financing rescheduling programme by extending the financing period up until 36 months for MARA entrepreneurs
- Six-month loan moratorium for B40, M40, T20 and microenterprises automatically upon application while affected SMEs are subject to bank's review and approval
- Increase Government guarantee scheme limit by RM20 billion under SJPP from RM36.5 billion to RM56.5 billion

Enhancing Digitalisation, Technology and Innovation (RM300 million)

- RM300 million for Program Pemerkasaan Pendigitalan Usahawan Kecil (PUPUK) of which RM200 million for microenterprises and RM100 million SMEs

Other Measures (RM150 million)

- RM150 million allocated for the implementation of PIKAS and to alleviate companies' costs

BUDGET 2022 - RM49.9 BILLION

With the theme '*Keluarga Malaysia, Makmur Sejahtera*', Budget 2022 focuses on three key pillars namely Strengthening Recovery, Building Resilience and Driving Reforms to drive socio-economy recovery activities and the national development agenda. In 2022, a total of RM49.9 billion has been earmarked to either exclusively benefit the MSMEs or can be accessed by MSMEs along with other businesses. Among the key initiatives include:

- Access to Financing - RM20.4 billion
- Human Capital Development - RM10.1 billion
- Development of Bumiputera MSMEs - RM7.2 billion
- Development of Agriculture Sector - RM2.7 billion
- Development of Microenterprises - RM1.8 billion
- Development of Tourism Industry - RM1.5 billion
- Enhancing Digitalisation, Technology and Innovation - RM0.4 billion
- Access to Market - RM0.3 billion
- Development of Women Entrepreneurs - RM0.2 billion
- Other measures amounting to RM5.3 billion consist of *Jalinan GLC: Memperkasa PMKS*, incentives for artists, Interim Stage Bus Support Fund, Investment Loan Matching Scheme for the National Animation Platform and etc.

Among the key tax incentives that MSMEs can benefit:

- Deferral of income tax instalment payments for MSMEs for six months until 30 June 2022
- All businesses are allowed to amend the estimated income tax payable on the 11th month before 31 October 2022
- Special tax deduction to the owners of buildings or business premises who provide rental reduction to tenants of at least 30.0% from the original rate be extended until June 2022
- Review the accumulated unabsorbed business losses tax treatment that can be carried forward from seven consecutive years of assessment to a maximum of ten consecutive years of assessment
- Individual tax relief and tax deduction to employers on costs associated with the adoption of self-funded booster vaccines

- Extend the double tax deduction to companies that provide scholarships to students in institutions of higher learning
- Expand the tax relief of up to RM4,000 for EPF contributors to also include voluntary contributions such as those who are self-employed in the gig economy
- Tax relief of up to RM7,000 for those who undertake courses with any professional bodies e.g. professional courses in accounting, finance and ESG-related
- Extend the tax deduction of up to RM300,000 on the cost of for renovating and refurbishing business premises until 31 December 2022
- Extend tax deduction of up to RM50,000 on rental expenses of employees' accommodation premises for companies registered under Safe@Work until 31 December 2022
- Tax exemptions on all social enterprise income for a period of up to three years of assessment subject to the validity period of Social Enterprise Accreditation from the Joint Committee on Accreditation of the Yayasan Hasanah and Ministry of Entrepreneur Development and Cooperatives
- Impose sales tax on goods not exceeding RM500 from abroad sold online by seller and sent to consumers in Malaysia via air courier service
- Exemption of service tax to F&B delivery services and logistic services
- Stamp duty exemption for the Perlindungan Tenang product as well as other insurance or takaful products with a premium or contribution value not exceeding RM250 for MSMEs
- Extend the tax incentive for the Structured Internship Programme until the year of assessment 2025 and this incentive is also extended for students in the Master's Degree, Professional Certificate and Malaysian Skills Certificate Levels 1 and 2