

**PROPOSALS BY PAM INCORPORATED IN PENJANA SHORT TERM RECOVERY PLAN  
JUNE – DECEMBER 2020**

<b>NO.</b>	<b>PROPOSED COVID-19 TEMPORARY BILL</b>	<b>PENJANA</b>
1	<p><b>A2</b></p> <p>Government to allow professional services firms to defer SST payments by 6 months from end of MCO/CMCO</p>	<p><b>ii – 23 FINANCIAL STRESS SUPPORT FOR BUSINESS</b></p> <p>50% remission of penalty for late payment of sales tax &amp; services tax due and payable from 1<sup>st</sup> July 2020 to 20<sup>th</sup> September 2020</p>
2.	<p><b>A1</b></p> <p>Government to reduce the PRIHATIN condition of 6 months to 3 months restriction on Employer to retain all employees for firms to claim wage subsidy.</p>	<p><b>i – 1 WAGE SUBSIDY PROGRAMME</b></p> <p>Allow employer receiving wage subsidy to implement reduced work week (e.g. 4-day work week with a reduced pay of 20%)</p>
3.	<p><b>B3</b></p> <p>Provide subsidy grant of Rm5,000 per qualified professionals employee to subsidize the immediate purchase of additional laptops with professionals design software (actual cost is over RM20,000 per employee)</p>	<p><b>i – 6 FLEXIBLE WORK ARRANGEMENT INCENTIVES</b></p> <p>Individual income tax exemption of up to RM5,000 to employee who receive a handphone, notebook &amp; tablet from their employer (effective 1<sup>st</sup> July 2020)</p>
4.	<p><b>B3</b></p> <p>More SRF loans specifically for firms to increase IT infrastructure, staff training and to increase server and cloud based communication platform capacity.</p>	<p><b>ii – 14 TECHNICAL AND DIGITAL ADOPTION FOR SMEs AND MTCs</b></p> <p>The government will continue to provide grants and loans to eligible enterprise for adoption or subscription of digitalisation services under the specific programmes.</p>

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	<p><b>PAM/MIS/02/20 -118 FEEDBACK FROM ASSOCIATION (24<sup>TH</sup> APRIL 2020)</b></p> <p><b>4E</b> – Architectural projects initiated by the Government, its agencies, GLCs and GLICs, should be awarded to local Architecture firms and not foreign Architects. This is to spur the local economy and to prevent the outflow of Malaysian Ringgit. This is also in line with the government’s policy to “buy local”</p> <p><b>4F</b> – The Government should promote Malaysian architecture.</p>	<p><b>ii – 21 ACCELERATED PAYMENT TERMS FOR GLC AND LARGE CORPORATES’ SUPPLY CHAIN</b></p> <p>To provide relief for SMEs cash flows, the government is encouraging GLCs and large corporations to accelerate their vendors’ payment terms.</p>
	<p><b>ISSUES FACED BY PROFESSIONAL SERVICES WHEN COMMENCING BUSINESS – MITI (11<sup>TH</sup> MAY 2020)</b></p> <p><b>Ai) CASH FLOW</b></p> <p>The following entities should release payments for outstanding fees on all invoices. PAM urges the Government to incentivise private sector Developers, including the GLCs, and GLICs developers, to pay all outstanding invoices by waiving Service Tax on all outstanding invoices predating 18 March 2020 (MCO start date)</p>	<p><b>ii – 29 NATIONAL “BUY MALAYSIA” CAMPAIGN</b></p> <p>Push for consumption of local products and services through relevant agencies, digital platform and etc.</p>