

PRIME NEWS

BUDGET HIGHLIGHTS



The prime minister's announcement that the **Goods and Services Tax (GST)** is to stay at six per cent for 2017, drew relief.

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Malaysians welcome the increase in the **Malaysia People's Aid (BR1M)**, as they will be able to set aside some savings in this currently challenging economic climate.



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"The people remain the central focus in the distribution of allocations under the 2017 Budget," says the deputy prime minister.



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97,000

street lights and 3,000 LED lights to be installed at crossroads to brighten 7,500 villages nationwide

RM350m

to build and refurbish 17,000 dilapidated houses in remote villages & Orang Asli settlements

RM1.2b

to build and upgrade 616km of village roads and bridges

RM500m

Water Supply Fund to be established to address water supply issues

RM495m

for 69 Flood Mitigation Plans

RM 4.6b

to maintain state roads

RM460m

to provide electricity supply in rural areas, targeting 10,000 houses



NST
22/10/16
mls 2

About 12,000 qualified taxi drivers who have ended their leasing contract with taxi companies will benefit from the government's announcement of a **RM5,000 grant to purchase new vehicles and the offer of individual taxi permits.**



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Grade 56 between Grade 54 and Jusa C introduced for medical and dental specialists. Nearly 2,600 doctors without housemanship will now serve on contract.

The New Straits Times Press (M) Bhd welcomes the tax relief announced for newspaper subscriptions. Its chief executive officer says the move to include newspaper subscription as part of the lifestyle tax relief items in the 2017 Budget will augur well for the expansion of the stable's newspaper readership.



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Fixed line broadband service providers will offer services at a higher speed for the same price, from January.

The Urban Wellbeing, Housing and Local Government Ministry will use vacant government lands **provided under the 2017 Budget to build 8,900 PPR houses.**



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RM 1.2b

for the development of sports

RM122m

for constructing & upgrading facilities such as States Youth & Sports Complex & Community Sports Complex

RM50m

for the construction of Football Academy Phase II in Gambang, Pahang

RM70m

to construct the Elite Sports Podium Development Programme to prepare our athletes for international sports events

RM 54m

to continue Sportsmen Development Prog. including Athlete & Paralympic Preparation Programme



RM200m

to Felda, RM100 million for Felcra and RM100m for Risdia for second generation house infrastructure development

100%

stamp duty exemption on transfer and housing loan instruments, to reduce house buying cost - limited to houses with value up to RM300k, 1st home-buyers, period between Jan 1, 2017 and Dec 31, 2018

RM134m

to build 9,850 houses under People's Housing Programme (PPR)

90% to 100%

New special "step-up" end-financing scheme for the PR1MA programme, allowing loan up to





CULTURE,
ARTS, TOURISM

Tax deduction
increased to

RM700k

to encourage sponsorships by the private sector
in art & cultural performances & local heritage

Film in M'sia Incentive, Arts &
Culture Revitalisation Agenda,
FINAS Content Creation Hub
in Santubong, Sarawak & Kota
Kinabalu, Sabah to be implemented

Promotion
of Malaysia
through Visiting
ASEAN@50 Year
Campaign as well
as host of 2017
SEA & Para ASEAN
Games

eVisa extended to countries
in the Balkans & South Asia
regions to achieve target of

32m tourist arrivals
next year



DITERIMA
22 OCT 2016
U.P.P.
M.B.



TAX RELIEF/
INCENTIVES

Relief extended to include purchase
of printed newspapers, smartphones,
tablets, internet subscriptions, gym
membership fees

Lifestyle Tax relief combines existing
tax relief, purchase of reading materials,
computers and sports equipment

RM165m

to increase incentive to RM1,000
for Private Retirement Scheme
contributors with minimum
investment of RM1,000 within
2 years



RM60m

to enhance effectiveness of crime
prevention in cities

RM1.8b

for defence asset maintenance such as
aircraft, patrol vessels, communication
equipment, buildings and weaponry



DEFENCE,
SECURITY
& SAFETY

RM12.8b

for Home Ministry including RM8.7
billion for Royal Malaysia Police

RM323m

for personnel deployment at
the eastern border of Sabah

Tax relief of up to

**RM
1,000**

for taxpayers
who enrol
their children
aged 6 and
below into
registered
nurseries and
pre-schools





RM75m

to establish Capital Market Research Institute

One-off increase of the existing

RM500

incentive to RM1,000 to Private Retirement Scheme contributors.

RM3b

to GLCs to fund managers under Securities Commission to invest in potential small and mid-cap companies

Small and Mid-Cap PLC Research Scheme will be introduced to conduct research on

300 companies

Tax exemption period extended until

2020

for entities carrying out Islamic banking and Takaful business through International Currency Business Unit and stamp duty exemption



RM130m

will be allocated to Matrade, Mida and SME Corp for export promotion programmes

RM50m

conduct scientific research to enhance quality of palm oil products

RM 30m

via Malaysian Palm Oil Board (MPOB) for replanting of oil palm by smallholders

RM200m

loan financing and insurance credit facilities with coverage up to RM1 billion provided by Exim Bank to SMEs



RM162m

via MDEC among others, to implement programmes such as the e-commerce ecosystem and Digital Maker Movement

Initiative for ethernet broadband services in public universities to be increased to a max. 100GB per second

Effective January 2017, fixed line broadband service providers will offer services at a higher speed for the same price



Broadband speed to be increased within next two years and reduction in prices by

50%

RM1b

broadband quality and coverage nationwide reaches up to 20 megabytes per second.



Increasing trip frequency of ETS for the Johor Baru - Padang Besar route

RM100m

to restore East Coast railway line along Gua Musang - Tumpat stretch

RM55b

for implementation of new East Coast Rail Line in phases

Introduction of new location categories as Malaysia Digital Hub to enjoy benefit of MSC Bill of Guarantees, including tax incentives and introduction of Digital Free Zones.

Accelerating implementation of Pan Borneo Highway in Sabah and Sarawak