



## **WISMA REHDA**

**Kelana Jaya, Petaling Jaya**

**6 November 2020**

### ***Preliminary Media Release and Comments on Budget 2021 by REHDA Malaysia***

The Real Estate and Housing Developers' Association (REHDA) Malaysia views the Budget 2021 announced today by the Minister of Finance, Yang Berhormat Senator Tengku Dato' Sri Zafrul b Tengku Abdul Aziz with the theme *Teguh Kita, Menang Bersama* as a comprehensive, inclusive and promising Budget for all Malaysians. The Budget is an extension of the various stimulus packages introduced by the Government since early this year, and focuses on the wellbeing of the rakyat in particular the most affected group, to ensure that their welfare is protected and the economy is on the right path for recovery following the devastation caused by the unprecedented COVID-19 outbreak.

REHDA takes note of the measures announced such as the various healthcare incentives, Bantuan Prihatin Rakyat, lower income tax by 1% for those with an annual income of RM50,000 – RM70,000, and the announcement allowing Employees' Provident Fund contributors affected by COVID-19 to withdraw from their Account 1 as well as the reduction in contribution from 11% to 9%. With higher disposable income, more spending will be encouraged which will help to spur the economy. Ultimately, these steps will go a long way to meet the needs of the rakyat, many of whose lives has been severely affected following the pandemic and the inevitable Movement Control Order as well as its variations.

We are also grateful for the incentives provided to the housing sector which is set to further uplift the industry and gives more power for potential homebuyers to find their dream house. These incentives are additional measures besides those announced earlier under PENJANA in June 2020.

**Stamp Duties Exemption on Memorandum of Transfer and Loan Agreement for Residential Units Priced RM500,000 and Below from 1 January 2021 to 31 December 2025**

REHDA welcomes the move as part of the Government's initiative to encourage homeownership amongst the rakyat, which was also our Budget Wishlist to the Government. Expanded from the earlier RM300,000 houses to RM500,000 for a period of five years, we believe that the stamp duty waivers will benefit a lot of Malaysians who find it hard-pressed to own a house, particularly those in the B40 and M40 groups.

**Stamp Duties Exemption on Memorandum of Transfer and Loan Agreement for 'White Knight' Contractors and Original Purchasers of Abandoned Projects from 1 January 2021 to 31 December 2025**

This incentive will definitely give peace of mind to those purchasers who have been severely affected when the units they bought were abandoned. Similarly, the stamp duty waivers for the white knights is hoped to encourage more contractors to come in and rescue abandoned units which eventually will realise the dreams of home buyers to have their own homes.

**Rent-to-Own Scheme for 5,000 PR1MA Homes**

The Association has, on many occasions, called for the Government to introduce a Rent-to-Own scheme to help particularly those who are not ready to purchase especially when they have just started working. Thus, we laud the announcement for the introduction of the scheme with selected financial institutions. However, we hope that the programme can be extended to more than just the 5,000 units of PR1MA homes, whereby purchasers in the open market can also benefit from the scheme.

### **RM1.2 Billion Allocation for Housing for the B40 Group**

REHDA is in support of all measures undertaken by the Government to provide social housing for the B40 group. We believe that the various recipients of this allocation namely Program Perumahan Rakyat, Syarikat Perumahan Negara Berhad's Rumah Mesra Rakyat and Program Perumahan Penjawat Awam Malaysia will provide the much-needed relief for those in need.

We thank the Government for including our proposals in this Budget 2021, which signifies their commitment to listen to industry players, the rakyat and our plights. We believe the allocation will also benefit the other 200 other downstream and upstream sectors and the people behind them. With Budget 2021, REHDA hopes we will all continue to do our part to elevate the industry and the economy to greater heights, despite the turbulence we are experiencing this year.

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