



'Reduce stamp duty for first-time homebuyers'

KUALA LUMPUR: To rejuvenate the property sector, property website iProperty, the consumer brand of REA Group Asia in Malaysia, said the government should consider reducing the stamp duty for first-time homebuyers after the end of the Home Ownership Campaign on May 31 next year.

iProperty.com Malaysia Sdn Bhd general manager Wong Siew Lai said a stamp duty reduction was essential to help young Malaysians get on the property ladder.

"Stamp duty could be extended to the secondary market, which will provide opportunity for property seekers to explore sub-sale properties.

"We hope the government will review policies and introduce supplementary measures to encourage home ownership among young people. For instance, tax relief for home loan interest incurred by first-time house buyers should be reintroduced to further encourage home ownership among young people.

"The earlier that a homebuyer gets onto the property ladder, the more time they have to benefit from capital appreciation of their properties."

Wong said the full exemption of the Real Property Gains Tax (RPGT) that was announced un-

der the Economic Recovery Plan was greatly welcomed.

At the moment, the exemption is limited to the disposal of three units of residential homes per individual.

"We hope the budget will improve on the existing RPGT initiative by removing or loosening the limitation of disposal units per individual to encourage more confidence in property sellers.

"This will stimulate more transactions and encourage sellers to pass on the savings from the exemption to the buyers," said Wong, who is also iProperty marketing and communications general manager.

Wong said another factor that could stimulate the property market was investments from foreign buyers.

"With this in mind, we hope the 2021 Budget will quickly revive the Malaysia My Second Home (MM2H) programme to encourage foreign buyers to invest in the local property market.

"The application process could be more streamlined and investor-friendly to encourage more foreign buyers."

Even though the MM2H participants only encompassed a relatively small number of homebuyers in Malaysia, Wong said it was an important driver of foreign buyer demand.