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Waiver of stamp duty for first property lauded

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PETALING JAYA: Waiving the stamp duty for the first purchase of property below RM500,000 is a much needed move to spur the property market, say housing developers.

"This measure will help states with smaller property markets like Perak and Kedah to stimulate housing sales," said Real Estate and Housing Developers Association (Rehda) Malaysia national council member Tony Khoo Boon Chuan.

He said the government should have given more assistance to the secondary property market.

"This should be extended for the secondary property market as well," he said.

Khoo noted that following the waiver of the Real Property Gains Tax (RPGT) for the consumer market of up to three properties between June 1, 2020 and Dec 31, 2021, it should also be applied for commercial property.



Zerin Properties managing director Previntran Singh said the Budget was one that truly addressed current issues, the current state of the economy and taking Malaysia into the future businesses and investments.

He said even though incentives for the real estate market was limited to stamp duty exemption and Rent-To-Own (RTO) scheme among others, he was of the opinion that the impact would be felt via incentives given for the manufacturing sector, global hub and tech sectors of the future and investments into existing and future infrastructure.

Finance Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz also announced full stamp

duty exemption on transfer instruments and loan agreements for the purchase of first residential houses worth up to RM500,000 from Jan 1, 2021 to Dec 31, 2025.

He said the government would also extend the stamp duty exemption on loan agreement and instrument of transfer given to rescue contractors and original buyers of abandoned houses for another five years.

"This exception is for the sale and purchase agreement, which is completed from Jan 1, 2021 until Dec 31, 2025 for abandoned housing projects approved by the Housing and Local Government Ministry," he said when presenting Budget 2021 in Parliament yesterday.

In addition, more than RM1bil is allocated via selected banks to finance RTO for 5,000 units of unsold PRIMA houses to deserving buyers.

The Housebuyers Association secretary-

general Datuk Chang Kim Loong said this was a noble aspiration by the Perikatan Nasional government to ensure that everyone, including the low-income segment, had access to comfortable and quality housing.

As part of the government's initiative to encourage the rental market, the government will put aside RM1bil in a RTO scheme involving 5,000 PRIMA units for first-time house buyers.

The Association of Valuers, Property Managers, Estate Agents & Property Consultants in the Private Sector Malaysia (APEPS) said it was heartening that Budget 2021 had come up with various initiatives to promote affordable housing, including stamp duty exemption for Memorandum of Transfer and loan agreement.

"This will benefit buyers in both the primary and secondary market," said James Wong, APEPS Budget 2021 chairman.