All I want from Budget 2015 is ...

Run-up to



ion industry, I hope for a conprojects to make it sustainable. We also hope for

greater and gradual reduction of corporate tax than the 24% ceiling announced recently as well as greater reduction of import duties on heavy machineries to be on par with our Asean counter-parts. There should also be more consistent policies with regard to housing, for example, foreigners' buying limit and real property gains tax

Budget 2014 has managed to maintain construction at a doubledigit growth and a greater gross domestic product growth, so in that sense it has been successful.

WE hope that Ruben Emir there will be enough Gnanalingam CEO Westports Malays of funds to

road networks in Pulau Indah and

FOR the construc

Managing Director MORE business

implementa-tion of Developer Interest Bearing Scheme (DIBS) again for firsttime property buyers in an effort to ease their burden. The industry is of the opinion that the removal friendly environof DIBS in Budget 2014 was to curb speculation activities in the propfor corporate erty market. We were worried of too much speculative activities in the mar-ket (at that time). Hopefully the government would allow DIBS for first-time buyers. We are talking

subsidy cuts, the Sun brings you the voice of corporate Malaysia.

WE hope that

allow the

expenditure such as healthcare services or subsidies for certain drugs/services that will help lessen individual burden because lot of people are suffering persona level bankruptcy when medical bills become too unaffordable. The government should also work out incentives to make people responsible for their health and raise productivity of the country with a healthier workforce.

GST also has been very blur, despite the exemption for healthcare, because some components are exempted and some are not. making compliance difficult.

making compliance difficult.

I hope to see government-linked companies (GLCs) competing more on the international front instead of focusing on domestic market and crowding out the local SMEs. With their funding and size, GICs should focus on making ines in the global scene and make Malaysia proud."

ALAYSIAN corporates across a wide range of industries will port and for marine activities to maintain competitiveness and look to the Budget 2015 announcement tomorrow for implementation of the Goods and Services Tax (GST) and more measures to combat rising costs. Many are looking for clarity while others expect the government to come up with more tax breaks or additional incentives to cushion the effects of increasing costs with ongoing

reka Corp

y market. We were worried of too much

about first-time buyers, who are

import duty and sales tax on port

operating equipment and structure to reduce business transaction costs.

and purchase agreements to reduce

uhani Dikon

Northport's wish

▶ Exemption on

list for Budget 2015

Northport (Malaysia)

SECONG

genuine buyers.

attract vessels Zero-rated GST for all import and export services in order to ensure competitiveness to encourage ease of business for

import and export.

Green technology financing scheme for promotion of green initiatives.

To classify advertising expenses

for procurement of equipment as a tax deductible item.

Change of electricity tariff from Commercial C2 Tariff to Special Tariff for savings in terms of cost of

To widen the existing stretch of alan Pelabuhan, Port Klang, from two lanes to three lanes."



Tan Sri Lim Wee Chairman Top Glove

WE hone to see a corporate tax rate

stemming from tariff hikes in electricity, natural gas and the recent increase in petrol price, as well the impending GST. This will also enable Malaysia to stay competitive as an investment destination, compared with its neighbours within the region like Singapore (with a corporate tax rate of 17%) and Thailand (with a corporate tax rate We would also like more

Chang Kim Loong

companies to pursue expansion aggressively. This will also serve to retain domestic investors and stem the migration to other countries with more business-friendly policies. The

government ought not to focus on the potential short-term revenue loss from granting incentives, but look at the bigger picture: the retention of businesses will also benefit the supporting industries and ensure our

economy continues to thrive.

In addition, it is imperative that steps are taken to improve the management of our fiscal position and narrow the deficit. To this end spending needs to be tightened and corruption further reduced.

Personally, I wish for a reduction

personal tax, especially once GST implemented. We did not see any stimulating

factor from the 2014 Budget and its positive impact on the business was minimal.



Datuk Stewart LaBrooy CEO Axis REIT Managers

At the company level: The big issue in 2015 will

tation of GST. We hope that the budget will clarify many of the grey areas we as a REIT industry have highlighted in our dialogues with the regulators and tax au-

thorities.

I believe that these grey areas are not just confined to our industry

Additional incentives that can be given to evelopers to build affordable housing are:

imposition of RPGT coupled with Bank Negara's ruling on the (c) Fast-track approval for unsold burni abolition of Developers Interest Bearing Scheme and tighter lending standards, leading to an effective cool down in the property market. However the downturn is in full flight and could lead to a severe contraction in the property market with untoward consequences on the banking sector. A review of these policies i necessary. The review of corporate tax to

housing category.

Prices of cement, sand, steel, and other construction materials are regulated. The cost of doing business, whether hidden or

der over this proposal. ▶ Bumiputra discount in multiple purchases should be restricted - the

threshold of eligibility:
a) Price cap of RM500,000 and type of property (only link homes and

condominiums/apartments for the masses). b) Maximum number of properties capped at two per bumiputra buyer. c) Only private residences to be eligible.

competitive internationally Hong Kong. Further reductions would be welcome. The review of individual

24% from 25% was welcome and moves to make Malaysia more

although we still lag Singapore and

but to many of the capital market

these issues will be resolved prior

to implementation will be most welcome and contribute to a con-

tinued growth and vibrancy on the

Incentives and rule changes for

REITS:

Removal of the 10% withholding tax for individuals

That claims for IBA and ITA

allowances be allowed for REITs in

the hospitality industry

That if a REIT purchases an SPV

I matura Ret. I purchases an SPV
that holds a property that the tax
flowthrough be allowed

I hat REIT's be able to zero rate
the 6% GST applied to the purchases
of new assets

That GST costs relating to an SPV

That all REITs be exempted from the BVEA act making it mandatory

that they have to engage a registered

valuer to manage their properties. This will bring it in line with

established international practices.

reduction in both corporate and

Green Buildings: A new comprehensive tax policy for green developments is formu-lated. In addition, incentives for

urban regeneration projects be introduced including the restora

The things I would like to see as an individual:

Further reduction in personal

deductible.

Hybrid and full electric cars be

rempted from all duties.

The biggest announcement in

014 was the implementation of

tion of heritage buildings.

income tax

Monles contributed by individuals to EPF to be fully

GST in 2015. The second was the re-

From a Personal Level-

individual tay

Corporate/Personal Income Tax: We would like to see a further

players as well. An announce-ment by the government that

Malaysian capital market.

If GST is implemented for propro rated rather than exempted

to waive land premiums for conversion of agricultural land to industrial category. Incentives are given to developers of such products.
Zero-rated GST for industrial
buildings.
A further reduction in personal

ncome tax would be welcome.
Full tax exemption for hybrid/

fully electric cars to continue.
Euro 5 diesel to be introduced so the latest diesel technology in cars can be enjoyed by Malaysian motorists with the savings in fuel to offset the rise in fuel prices

P1 is in a great position. We have just completed the

strategic partner-ship transaction with TM, Green Packet and SK Telecom. And we expect to invest up to RM2 billion within the next three years to deploy a differentiated 4G-LTE network. We believe we will contribute strongly to Malaysia's broadband agenda.

broadband agenda.
Our government has done well to facilitate ICT growth, but it is always healtly to perform periodic reviews considering ICT's catalytic role for our achievement of a developed and high-income nation status in a mere five years away.
There is room for improvement to fast track ICT adoption. For

instance, in 2012, the tax incentive for last-mile infrastructure deployment, import duty and sales tax exemption for broadband equip-ments ended when it continues to be useful and relevant.

Incentives such as these will ease the burden of telcos with large capital outlays to roll out their network and services expediently, at the same time benefit consumers when our savings are transferred to them.

For the consumer concerned with the rising cost of living, GST is a highly debated hot item. Some argue that GST will not burden the rakyat, neutralised by the removal of the sales & service tax, and the government has gone further to exempt certain essential goods.

I hope that the government gives serious consideration to include telecommunications in the exempted list as it is most definitely an essential for consumers and as an economic

I noticed that the government set up MaGIC last year to spur entrepreneurial innovation and creativity. This is close to my heart as innovation and creativity are currencies of the future, which also give a nation its vibrancy.

I hope that the governmen introduces comprehensive measures from the classroom to the board room and across industries to make creativity a Malaysian mindset and lifestyle.

Every budget has its pros and cons, and it differs with different stakeholder groups. A good budget serves the needs of the majority today while it paves the way for a brighter future. I give credit to the government for taking a hard look at what needs to be done at a time when Malaysia is faced with significant domestic and external

continue to strengthen foundational issues such as spending within financial capacity and cutting wastage in an effort to correct the country's balance sheet. to not give way to high costs of living or slow down economic growth. It has been apparent that there is a greater level of accountability and transparency. with a lot more effort to engage the nation on policy making.

I believe the government will



Singhe Zerin Properties

To make up for

And, finally, the three main

a. More focus on security at Malacca) and local level (we are the lowest spenders in the region);

b. Allocation for system and policy; and



Executive **KPMG Tax** Services

ONE of my wishes is that there could

country and the rakvat.

romote MyFest 2015 further,

Measures announced in Budget 2014 which will come into force in 2015

ONE-OFF cash assistance of RM300 to households who are BR1M recipients.

INDIVIDUAL income tax rates to be reduced by 1 to 3 percentage points for all tax payers to increase their disposable income. (This measure is expected to see 300,000 individuals, who currently pay income tax, no longer pay tax.)

CHARGEARLE assessment 2016 income subject rate will be increased from exceeding RM100,000 to exceeding RM400,000. The current maximum tax rate at 26% will be reduced to 24%,

CORPORATE income tax rate be reduced by 1 percentage point from 25% to 24%, Income tax rate for small and medium companies will be reduced by 1 percentage point from 20% to 19% from the year of assessment 2016.

perhaps more attractive

which offer the Malaysian

festival celebrations in traditional

villages. This would offer more

tourists.
Financial grants could also be

considered to be given to villagers

to set up more homestay locations, in addition to perhaps a tax rebate

individual tax payers (both foreigners and locals) if they spend

I also took the opportunity to

question.

A mother with three adult children: I wish the Budget would

address issues to control the price

A mother with three young

'I wish the coming Budget will

address these matters by granting

deductions for medical expenses

incurred on parents/parents-in-

law and a congrete deduction for

taking care of ageing parents and

facilities, closely regulated by the

will also be better child care

higher child relief, highe

children and an ageing live-in parent-in-law with no domestic

or deduction to be granted to

their holidays in Malaysia's

ask three of my staff the same

of properties to make it more affordable.'

homestay locations.

question.

choices to attract more foreign

COOPERATIVE income tay percentage points from the year of assessment 2015.

SECRETARIAL fee and tax filing fee are allowed as tax deductions from the year of assessment 2015.

COST of purchasing ICT equipment and software is given accelerated capital allowance until year of

EXPENSES incurred for training in accounting and ICT relating to GST be given further tax deduction for years of

of RM100 million will be provided to businesses that send their employees for GST training in 2013 and 2014. Financial assistance of RM150 million will be provided to SMEs for the purchase of accounting software in 2014 and 2015

A young, single lady who relies on public transport to go to work: 'I promotions or campaigns could be ntroduced at various locations wish the frequency of the buses can be improved so that I will be Homestay Programme on a more able to reach the office on time. regular basis. Homestay offers a Honefully there could be more first-hand experience of spending

reduction in rates, more personal reliefs and deductions to allay fears of the rising cost of living



OCBC Bank (Malaysia)

the Budget will

living for the rakyat as well as create a platform for companies to adapt smoothly to the challenging husiness anvironment

GST we will be looking to the government to implement the natural consequence of this initiative: reduce both individual and corporate taxes, among other

decisive steps to reduce the budget GST but the effects will only be felt in 2015 and beyond. The government's effort to boost the economy through public spending has also resulted in a continued admirable GDP growth amid the uncertainties surrounding the

Affordable housing for every Malaysian

THE health of our housing industry is a key concern for developers and house owners alike. In the upcoming budget parties on both sides of the divide are calling for the same thing; combating persistently rising prices of housing, better regulation and better access to financing for buyers.

JUST to recap, the government in Budget 2014 focused on making housing affordable and

Datuk Soam Heng Choon Managing directo available, thus the implementation of various measures such as banning of DIBS. increase in threshold prices to RMs million

for foreigners, increasing the band on RPGT and disclosure of all freebies given by developers. After one year, the question commonly asked is: Where are our affordable homes the government set out to construct under the MyHome scheme, PRIMA and others? Is pricing around the country reducing?

The answer is obvious. What then do we want for the housing industry and as a husiness entity?

As GST will be introduced on April 1, 2015, the cost of building residential properties will increase as input tax canno be claimed since housing is tax exempt. Some of the measures we wish to see in

the coming Budget are: ▶ The government should accelerate the construction of affordable homes in the Klang Valley, Penang Island and Johor Baru These are the areas that require affordable housing below RM500,000 and not in the smaller towns where most houses are below

this pricing. We hope the government will

stay focused in these locations and not get

distracted in building on the outskirts. supply by building on government reserve

As championed by many lately, allow DIBS for first-time home buyers of properties below RM 500,000.

of providing social housing and let developers focus on delivering marketdriven products.

The government should also get all states to cooperate and advocate a transparent and structured mechanism for the release of unsold bumiputra units as it will help to reduce holding cost and put capital to more productive use.

► The government should also look into other high compliance costs like high land conversion premiums, development charges and infrastructure funds imposed

The government should also increase the given to the various government agencies to

private developers.

To encourage home ownership and for first-time buyers, extend grant to this group of buyers which will reduce their burden in coming up with the down payment.

► Lower the cost of doing business by reducing cross subsidy and compliance cost.

The government should take over the role

by state governments and local authorities. Utility companies should bear the capital cost of providing such services.

To sum it up, we hope Budget 2015 will be towards reducing the rakyat's burden. encourage private sector growth and help

IMPLEMENT the build-thensell to:on

Secretary-general National House Buyers concept (BTS Association 10:90).

• Under BTS 10:90, house buyers only need to fork out the initial down payment of 10% when booking a house and do not need to

make any further payment until the vacant possession of the property is delivered to them, whereupon the balance 90% will be Increase the entry cost for owners of

multiple properties via stamp duty on transfer of property. Further tighten the loan-to-value ratio for the third and subsequent mortgage.

Higher price eligibility for foreign

purchasers.
For properties in the Greater Klang Valley Area (which now even extends all the way to Kajang and Semenyih), Penang, Johor Baru and Iskandar Region, the minimum price that foreigners are allowed to buy should be increased to RM2 million. ► More incentives to build affordable

HBA suggests that the government increase the price limit for medium-cost housing to RM400,000 to capture a larger portion of the low- and middle-income group.

(a) Fast-track approval; (b) Lower conversion premiums:

moto unite Lower compliance cost for developers. Developers are required to lay the "last mile" for public utilities. The cost of laving the "last mile" is passed on to house buyers. infrastructure should be undertaken by the

utility companies. ▶ Price control mechanism in affordable

otherwise, are preknown to developers. The only element that is not standard is land cost. For example, the price of land in Mont Kiara is different from that in Ulu Yam. Our IPPH knows the actual land cost through comparison basis. Hence, can the land cost not be predetermined so that the government can say, "Factor in the developer's profit of, say, 20% and sell at XXX amount." Please

income tax was a welcome relief. Measures to be enhanced or

erty purchases then stamp duty should be waived. Purchases for housing should be (It means that the developer can still claim their input taxes.) If not, these costs will still be transferred to the purchaser, resulting in higher cost of homes.

To work with state governments

challenges.
For 2015, the government must

continue to make improvements as the nation has come to expect



▶ Corporate tax and personal tax reduction as GST kicks in

the increase in petrol prices and as the GST kicks in a more efficient government, especially at local level.

issues we are all concerned about:

implementation of a truly worldclass education system. Start at primary school. As the words of a great Malaysian journalist, the worst thing that happened to us was that there were too many experiments on our education

c. Intergration of races at the rakyat level.

Budget 2014 was reasonably effective. In terms of affordable housing, I would like to see more release of government land."



be more effective incentives to promote our Malaysia Year of Festivals 2015 (MyFest 2015), which offers a variety of cultural programmes and festivals. MyFest 2015 was announced in the 2014 Budget, aimed at attracting more tourists to our country. This would have the consequential effect of generating more revenue for our

As part of the measures to

TRAINING grant



OUR wish is that

address both the higher cost of

With the highly-anticipated

things. The government has taken