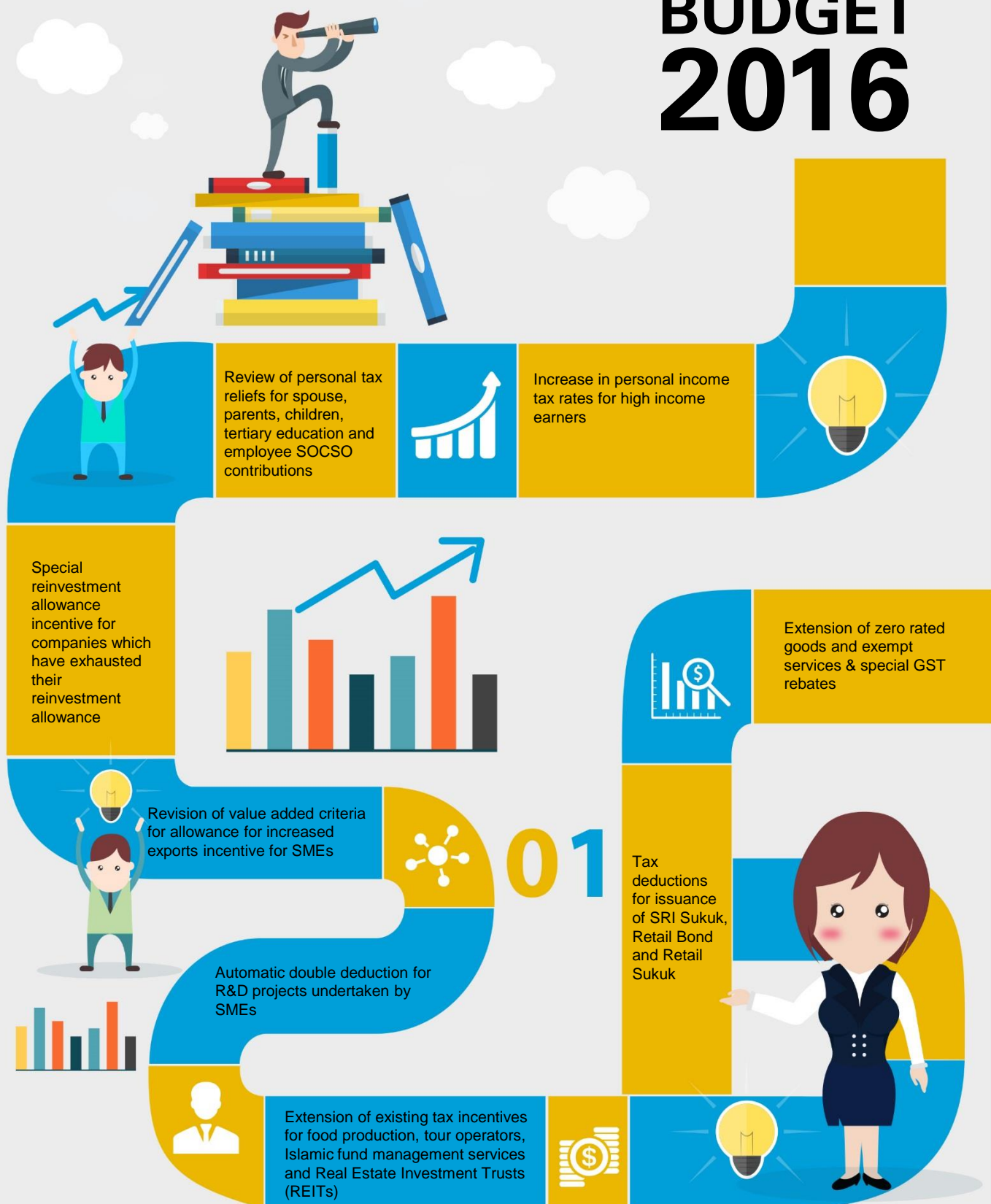


SB BUDGET SHEET TOTS



BUDGET 2016



A grayscale photograph of an industrial port or shipyard. Several large cranes are visible, some with their booms extended. In the foreground, a truck is parked on a platform. The scene is partially obscured by a large blue diagonal overlay. The text "Executive Summary" is written in white on the blue overlay.

Executive Summary

New parental relief of RM1,500 each for father and mother

RM1,000 increase in spouse relief and child relief

RM2,000 increase in relief for study fees for tertiary education and taxpayers whose children are pursuing tertiary education

Relief of up to RM250 for voluntary employee SOCSO contribution



Increase in personal income tax rate from 25% to 26% for individuals with chargeable income ranging from RM600,001 to RM1,000,000 and 28% for chargeable income exceeding RM1,000,000



Special reinvestment allowance incentive from YA 2016 to YA 2018 for companies which have exhausted their eligibility for Reinvestment Allowance incentive

Value-added conditions for SMEs to qualify for allowance for increased exports have been lowered by 10% from YA 2016 to YA 2018



Application period for tax incentive for food production projects extended to 31 December 2020



Existing income tax exemptions for tour operating companies extended to YA 2018

Automatic double deduction for R&D project expenditure of up to RM50,000 incurred by SMEs for each YA

Existing income tax exemptions for companies providing Shariah-compliant fund management services extended to YA 2020

Final 10% withholding tax rate for REIT distributions to foreign institutional investors and non-corporate investors extended to 31 December 2019



GST streamlining of food products categorized under infant and children's milk, dhal, vegetables, spices, sugar and noodle products at zero rate

Widening of zero rated drugs to include controlled drugs, over the counter medicine and 128 brands of drugs which are classified as medical devices

Domestic air transportation services for rural air services between Sabah, Sarawak and Labuan to be regarded as exempt supply

Rebates on GST paid for prepaid mobile phone users



Tax deduction on issuance costs for Sustainable and Responsible Investments Sukuk (SRI Sukuk) from YA 2016 to YA 2020

Double deduction or further deduction for retail bonds and retail sukuk extended to YA 2018



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