

**Tax2Share**  
by SALIHIN Tax Advisory

*2025 Malaysia*

# BUDGET HIGHLIGHTS

Friday, 18<sup>th</sup> October 2024



*Belanjawan 2025*  
**MALAYSIA  
MADANI**

MEMBUGAR EKONOMI,  
MENJANA PERUBAHAN,  
MENSEJAHTERA RAKYAT

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# 2025 Budget Commentaries



The projected increase in revenue collection to RM340 billion, without the imposition of new taxes, demonstrates the government's commitment to improving operational efficiency and enhancing revenue collection through innovative digital tax initiatives, such as e-invoicing. This is a bold step towards fiscal sustainability and economic growth. Importantly, the Budget's substantial allocation for development projects in Sarawak and Sabah signifies a focus on equitable development and regional prosperity.

## **Tuan Haji (Dr.) Salihin Abang**

SALIHIN Founder & Group Managing Partner

Budget 2025 avoids the more ambitious step of reintroducing GST, but the decision to broaden the scope of SST, impose a 2% tax on dividends, implement the global minimum tax (GMT) on MNEs and lay the foundation for a carbon tax are all positive moves. These measures contribute to a more progressive tax system while balancing business growth and the well-being of the rakyat.



## **Dato' Sri Dr. Mohd Nizom Sairi**

SALIHIN Tax Advisor & Former CEO of  
The Inland Revenue Board of Malaysia (LHDNM)



Budget 2025 introduces key initiatives to boost innovation in Islamic finance and support research that promotes fair, inclusive, and sustainable policies. These efforts aim to create shared prosperity and strengthen Malaysia's leadership in sustainable finance and development.

## **Dato' Haji Abd Aziz Abu Bakar**

SALIHIN Tax Advisor & President of the  
Malaysian Association of Tax Accountants (M.A.T.A)

This Budget demonstrates the government's commitment to the digitalization of the economy, with grants for MSMEs' digital upgrades and incentives for the adoption of e-invoicing. These measures will alleviate financial concerns associated with the mandatory implementation of e-invoicing.



## **Tuan Haji Mohd Faried Jamil**

SALIHIN Tax Partner



The focus of Belanjawan 2025 on Environmental, Social, and Governance (ESG) compliance, along with the introduction of tax incentives, represents a commendable move toward promoting responsible business practices that integrate economic growth with social and environmental objectives.

## **Encik Ahmad Syahazan Yaacob**

SALIHIN Audit & Assurance Managing Partner & MIA Council Member



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# Executive Summary



## REINVIGORATING THE ECONOMY, DRIVING REFORMS, PROSPERING THE RAKYAT

The 2025 Malaysia Budget, titled “MEMBUGAR EKONOMI, MENJANA PERUBAHAN, MENSEJAHTERA RAKYAT” (Reinvigorating the Economy, Driving Reforms, Prospering the Rakyat), prioritizes on fiscal consolidation, sustainable economic growth, and inclusive development. Anchored in the Ekonomi MADANI framework, this Budget aims to reduce the fiscal deficit from 4.3% to 3.8% of GDP, aligning with the government's broader fiscal reform goals under the Fiscal Responsibility Act. The projected GDP growth rate for 2025 is between 4.5% and 5.5%, continuing the positive momentum from 2024. The Budget's strategic priorities include increasing private investment, enhancing public service delivery, and addressing rising costs of living.

### Key highlights include:

- Strengthening governance and accountability measures to reduce leakages in public spending.
- Targeted subsidies and social aid programs to alleviate pressure on vulnerable groups.
- Broad-based fiscal reforms to ensure long-term debt sustainability.

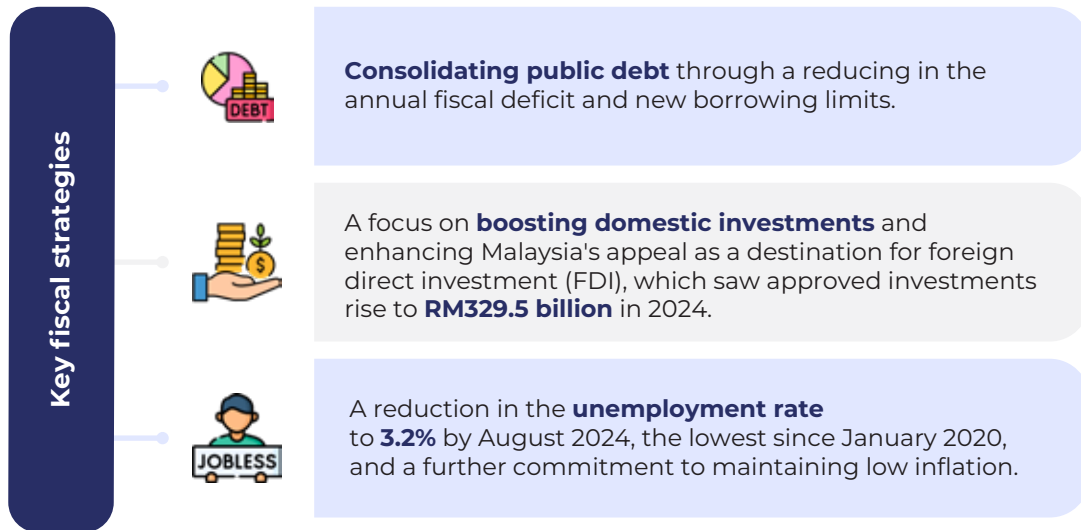
**YAB DATO' SERI ANWAR BIN IBRAHIM**  
Prime Minister &  
Minister of Finance



# Economic Landscape & Fiscal Position

## Economy Outlook

Malaysia's economic recovery is well underway, with the economy growing at 5.9% in Q2 2024, supported by the robust performance of export sectors and an increase in private investments. The government is committed to maintaining fiscal discipline while promoting growth, and aims to manage the national debt, which currently stands at RM1.2 trillion or 64% of GDP. The Public Finance and Fiscal Responsibility Act 2023 lays the foundation to lowering the debt-to-GDP ratio to below 60% in the medium term.



## Global Market Trends Impacting Malaysia

Several global market trends are expected to impact Malaysia's economic trajectory. Key among these are:

Global Inflation Pressures	Geopolitical Instability	Global Energy Market Shifts	Trade Policy Shifts
While inflation is expected to moderate globally, Malaysia will still face the challenge of managing its inflation rates, especially in relation to commodity prices and supply chain disruptions. These factors are crucial in influencing cost structures for Malaysian businesses and consumers.	Ongoing geopolitical tensions, particularly in major trading regions like Europe and East Asia, are creating uncertainties in global trade. This could affect Malaysia's export markets, which are heavily dependent on external demand.	Fluctuations in global energy prices are seen as a critical factor. Malaysia's energy sector, especially its oil and gas exports, will need to adapt to these pricing and supply changes, driven by geopolitical influences and the global shift towards renewable energy.	Changes in global trade relationships, particularly those involving key partners like China and the U.S., are likely to affect Malaysia's exports. Trade policy adjustments and rising protectionism in some regions could create challenges for Malaysia's trade-dependent economy.

These global trends are central to Malaysia's economic strategies in 2025, particularly in terms of managing inflation, enhancing trade resilience, and navigating energy market dynamics.

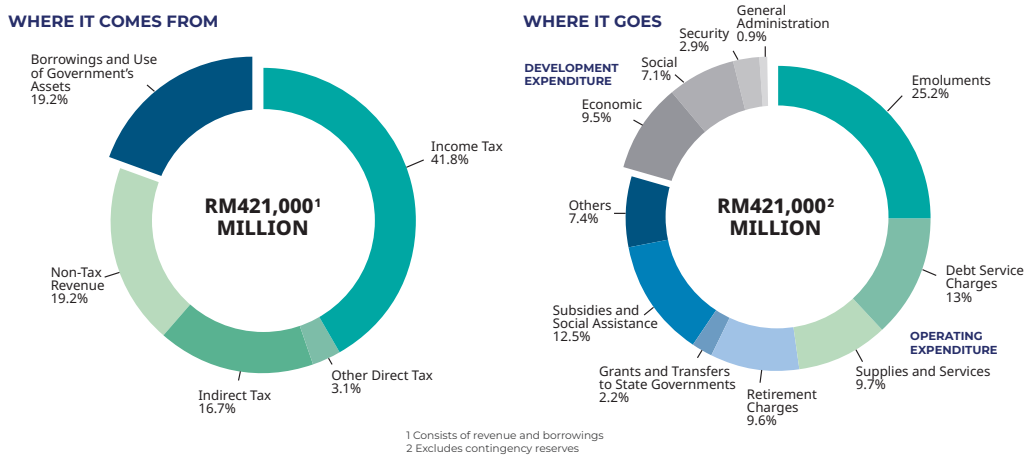
# Key Budget Insights & Allocations

**Budget Allocation Highlights:** The budget allocates RM421 billion, with RM335 billion for operating expenditure and RM86 billion for development.

**Sectoral Allocations:** Focus on infrastructure, healthcare, education, and technology-driven industries.

**Special Aid:** Continuation of subsidies to manage cost of living and targeted welfare programs to uplift low-income households.

## The Federal Government Budget 2025



## 3 Years Data Comparison

Year	Budget Allocation	Budgeted Revenue	Fiscal Deficit
2023	RM388.1 billion	RM314.9 billion	5.0%
2024	RM407.5 billion	RM322.1 billion	4.3%
2025	RM421.0 billion	RM339.7 billion	3.8%

## 2025 Big-Ticket Revenue & Expenditure

Revenue	% of Revenue	RM bill	Expenditure	% of Revenue	RM bill
Corporate Income Tax	31.4%	106.5	Emoluments	31.2%	105.9
Petroleum Income Tax	6.1%	20.7	Retirement Charges	12.0%	40.6
Individual Income Tax	12.9%	44.0	Debt Service Charges (DSC)	16.1%	54.7
Sales and Services Tax	13.8%	46.7	Subsidies & Social Assistance	15.5%	52.6
Petronas Dividend	9.4%	32	Development Expenditure	25.3%	86.0
Excise Duties	4.1%	13.8			
<b>Total</b>	<b>77.7</b>	<b>263.7</b>	<b>Total</b>	<b>100.1</b>	<b>339.8</b>

Source: Ministry of Finance

# Key Budget Insights & Allocations (cont'd)

## Federal Government Financial Position, 2023 – 2025

	rM Million			cHanGe (%)			Share of GDP (%)		
	2023	2024 <sup>2</sup>	2025 <sup>3</sup>	2023	2024 <sup>2</sup>	2025 <sup>3</sup>	2023	2024 <sup>2</sup>	2025 <sup>3</sup>
Revenue	314,959	322,050	339,706	7.0	2.3	5.5	17.3	16.5	16.3
Operating expenditure	311,267	321,500	335,000	6.3	3.3	4.2	17.1	16.5	16.1
<b>Current balance</b>	<b>3,692</b>	<b>550</b>	<b>4,706</b>				<b>0.2</b>	<b>0.0</b>	<b>0.2</b>
Gross development expenditure	96,091	86,000	86,000	34.3	-10.5	0.0	5.3	4.4	4.1
Less: Loan recovery	1,007	1,154	1,321	-28.4	14.6	14.5	0.1	0.1	0.1
Net development expenditure	95,084	84,846	84,679	35.5	-10.8	-0.2	5.2	4.3	4.0
<b>Overall balance</b>	<b>-91,392</b>	<b>-84,296</b>	<b>-79,973</b>				<b>-5.0</b>	<b>-4.3</b>	<b>-3.8</b>
<b>Primary balance<sup>1</sup></b>	<b>-45,061</b>	<b>-33,496</b>	<b>-25,273</b>				<b>-2.5</b>	<b>-1.7</b>	<b>-1.2</b>

<sup>1</sup> Excluding debt service charges

<sup>2</sup> Revised estimates

<sup>3</sup> Budget estimate, excluding Budget 2025 measures

Source: Ministry of Finance, Malaysia

## The Ekonomi MADANI Framework's Seven Targets



Source: Prime Minister's Office of Malaysia

# Subsidies Reform

The 2025 Budget Speech contains several key mentions regarding subsidy rationalization aimed at improving the effectiveness of the subsidy system and ensuring that benefits reach the right segments of the population:



**Diesel Subsidy:** The government will continue to provide subsidized diesel for essential sectors, such as public transportation, logistics, and fishermen. The targeted diesel subsidy system has successfully reduced leakages and misuse by reducing subsidized diesel sales by 30%, resulting in savings of more than RM600 million per month.



**RON95 Petrol Subsidy:** The government plans to introduce a targeted RON95 petrol subsidy starting mid-2025. The current blanket subsidy benefits the wealthiest 15% and foreigners, with 40% of the subsidy going to these groups. The government aims to reallocate the RM8 billion currently used for these subsidies to other areas such, as education, healthcare, and public transportation.



**Electricity Subsidy:** The government has reaffirmed its commitment to providing electricity subsidies to 85% of the population, with the expectation that high-income groups will contribute more to the cost of electricity.



**Education and Health Subsidies:** The subsidy rationalization also extends to education and health sectors. The government expects high-income groups to contribute more to public healthcare and education services, enabling the government to concentrate subsidies on low-income groups while enhancing facilities and services.

The goal of this targeted subsidy approach is to reduce on wastage and guarantee more effective use of public funds for the benefit of the general public.



# 2025 Budget Highlights For:

- Business Growth and MSMEs Support
- Digital Economy Expansion
- ESG and Sustainability
- Islamic Economy
- Bumiputera Agenda
- Sabah Special Allocations
- Sarawak Special Allocations
- Youth & Women

# Business Growth and MSMEs Support

## Total Allocation

**RM40 billion** in business loans and financing guarantees through government agencies.

BSN



**RM3.2 billion** in microloans available from **TEKUN** and **BSN** to assist small traders, including the disabled, Chinese, and Bumiputera communities.

BPMB  
Malaysia Development Bank

**RM6.4 billion** from **Bank Pembangunan Malaysia Berhad** for infrastructure, digitalization, tourism, logistics, transport, and renewable energy.

SJPP

**RM20 billion** loan guarantees through *Skim Jaminan Pembiayaan Perniagaan (SJPP)* for SMEs, with **RM5 billion** specifically allocated for **Bumiputera SMEs**.



# Digital Economy Expansion



**RM16.9 billion** in investments committed by **AWS, Microsoft, Google, and Oracle** for cloud infrastructure until 2038.



**RM50 million** in Digital Matching Grants and Digital Vendor Grants under **BSN** to help MSMEs remain competitive in the digital market.



**RM100 million** from **SKMM** over five years to enhance the role of **NADI Centers** in community income generation through digital entrepreneurship.



**RM10 million** for the National Artificial Intelligence Office (NAIO) to increase AI adoption through academia and industry partnerships.



# ESG and Sustainability



**RM1 billion strategic investment fund** to promote local talent development and encourage high-value activities in renewable energy and sustainability sectors.



**Special tax incentives** for companies involved in **Carbon Capture, Utilization, and Storage (CCUS)** activities, as well as other ESG-related business practices.



Expansion of investment tax allowances for high-value-added activities related to ESG.



Consumers and industries that purchase **energy-efficient electrical appliances are eligible for e-Rebate**, with an allocation of up to **RM70 million**.



# Islamic Economy



The government continues to focus on expanding **Shariah-compliant financial products** and **Halal industry certification**, maintaining Malaysia's position as a global hub for Islamic finance.



**RM 100 million** matching grant to promote Islamic financing innovation, including Islamic financing based on Mushakarah principle. Focus on IKLIM including food security.



**Wakaf MARA MADANI** initiative continues to attract corporate contributions, targeting **RM1 billion** in Wakaf funds.



**RM20 million** matching grant through i-TEKAD with RM5 million allocation specific for contribution to takaful or insurance for MSMEs.



# Bumiputera Agenda

- **RM800 million** in financing through **MARA** and **PUNB** for Bumiputera entrepreneurs, including local artisans.
- **RM200 million** under **Skim CAKNA 2** to support cash flow for **G1-G4 contractors** working on small government projects up to RM1.5 million.
- **RM5 billion** loan guarantees through **SJPP** specifically allocated for **Bumiputera SMEs**.
- **RM1.3 billion** for **G1-G4 contractors**, specifically for Bumiputera, enabling them to undertake small to medium-sized government projects.
- **50 acres** in **Bandar Malaysia** designated as **Malay Reserve Land**, the first in the history of the nation.



# Youth

- **Khazanah's Youth Development Program (K-Youth)** receives an allocation of **RM200 million** to provide 11,000 local talents to key sectors, such as semiconductors.
- **RM25 million** allocated to the **Rakan Muda Program** to continue fostering youth potential and identity development.
- **Step Up Financing Scheme** introduced under **SJKP**, providing government guarantees of up to **RM5 billion** for young individuals looking to purchase their first home.
- **RM50 million** allocated to **Program Latihan Khidmat Negara 3.0 (PLKN 3.0)** to be rolled out by the Ministry of Defense for school leavers.

- **TUBE Program (Tunas Usahawan Belia Bumiputera)** allocated **RM20 million** to further encourage youth entrepreneurship.



# Women

- **RM470 million** in financing provided by **SME Bank, BSN, Bank Rakyat**, and **MARA** to support women-owned MSMEs in securing working capital, purchasing assets, and expanding business capacity.
- **Program Perantisan Kepimpinan Wanita (PERANTIS)** enhanced under the Ministry of Women to create more female corporate leaders.

- **Returnship Program** launched to encourage women to re-enter the workforce in the finance sector. This program offers training and connects women with potential employers.
- Employers who hire women returning to the workforce are eligible for an **additional 50% tax deduction** on the wages paid for a period of 12 months.



# Sabah Special Allocations

Total Development Allocation	Infrastructure Development	Airport Expansion
<p><b>RM6.7 billion</b> allocated for development projects in Sabah.</p>	<p><b>17 packages</b> under <b>Pan Borneo Highway Sabah Fasa 1B</b>, including critical road sections such as <b>Kota Belud to Kudat</b> and <b>Tawau to Kampung Lot M</b>, with a total value of <b>RM9.7 billion</b>.</p>	<p><b>Tawau Airport</b> will undergo expansion as part of regional development initiatives.</p>
Special Grant (Pemberian Khas Sabah) under MA63	Electricity and Water Supply	
<p><b>RM125.6 million</b>, with plans to increase it to <b>RM600 million</b> in 2025.</p>	<p><b>RM500 million</b> to improve water and electricity supply to rural communities in Sabah.</p>	



# Sarawak Special Allocations

Total Development Allocation	Infrastructure Development	Airport Expansion
<p><b>RM5.9 billion</b> allocated for development projects in Sarawak.</p>	<ul style="list-style-type: none"> <li>● <b>Pan Borneo Highway</b> completion and continuation of ongoing infrastructure projects.</li> <li>● <b>RM500 million</b> for improving access to <b>clean water</b> and <b>electricity</b> for more than 5,150 houses in rural areas.</li> </ul>	<p><b>Upgrading Miri Airport</b> with a specific allocation to enhance regional connectivity.</p>
<p><b>Special Grant (Pemberian Khas Sarawak) under MA63</b></p>		<p><b>Cancer Center Development</b></p>
<p><b>RM300 million</b> for Sarawak under the special grants, which will be increased to <b>RM600 million</b> in 2025.</p>		<p>Collaboration with the <b>Sarawak state government</b> for the development of a <b>Cancer Center</b> with an estimated cost of <b>RM1 billion</b>.</p>





# Taxation Landscape for 2025

- Personal Tax
- Corporate Tax
- Tax Incentives
- Indirect & Other Taxes

# Personal Tax

## 1 Tax on dividend received by Individual Shareholder

- 2% tax on dividend income exceeding RM100K received by individual shareholders. However, this will not be applicable to distributions of profit from the Employees Provident Fund (EPF), Amanah Saham Nasional Bumiputera (ASNB), Lembaga Tabung Angkatan Tentera (LTAT) or unit trusts.

## 2 Revision and expansion of scope on personal tax relief

- Tax relief on charging facilities expenses for electric vehicle to be expanded to include purchase for food waste composting machines for household use (Restricted to RM2,500 per YA).
- Tax relief on contributions made to the Private Retirement Scheme and deferred annuity premium payments to be extended until the year of assessment 2030. Current withholding tax at a rate of 8% will continue to be imposed on any amount withdrawn, except for permitted purposes.
- Review of tax relief on premium payments for education and medical insurance from RM3,000 to RM4,000, effective from the year of assessment 2025.
- Tax relief on contribution made to SSPN to be extended until 31 December 2027.
- Widen of scope on tax relief on medical expenses to include the payment of disease detection tests, the purchase of health examination equipment and disease detection test kits as a step towards self-care healthcare practices. Effective from the year assessment 2025.

- To encourage the purchase of a first residential home among rakyat and to increase disposable income, it is proposed that individual income tax relief to be given on the interest payments for the first residential home loan.

- Relief up to RM7,000 for home valued below RM500,000.
- Relief up to RM5,000 for home valued between RM500,001 and RM750,000

Eligible for sales and purchase agreement of first residential executed from 1 January 2025 until 31 December 2027.

- Tax relief on TASKA (childcare) and TADIKA (preschool) fees will be extended until the year of assessment 2027.
- Revision of tax relief expenses related to the treatment and rehabilitation of autistic children will be increased to RM6,000 per year of assessment.
- The scope of tax relief on Sport Activities and Equipment of RM1,000 will be expanded to include expenses incurred for parents. Effective from the year of assessment 2025.
- Tax relief on medical treatment, special needs, and parental care expenses be expanded to grandparents. Effective date from the year of assessment 2025.
- Increase in tax relief for disabled persons as follows :
  - Increase form RM6,000 to RM7,000 for disable individual taxpayer.
  - Increased from RM5,000 to RM6,000 for individual taxpayer with a disabled spouse.
  - Increased from RM6,000 to RM8,000 for individual taxpayer with unmarried children.

# Personal Tax (cont'd)

## 3 Tax exemption on foreign sources income

- The income tax exemption on income derived from foreign sources received by individual, which has been subjected to income tax in the source country and received in Malaysia will be extended until 31 December 2036.

## 4 Revision on income tax exemption on childcare allowance and elderly care

- The individual income tax exemption of up to RM3,000 per year given on childcare allowance received by employees or paid directly by employers to childcare centers be expanded to include elderly care for employee's parents and grandparents. Effective from the year of assessment 2025.

## 6 Special and further deduction on expenditure:

- Proposed one-off 50% further deduction on expenses incurred by Company on capacity building and software acquisition for the implementation of flexible working arrangement, capped at RM500,000. Eligible for applications received by TalentCorp from 1 January 2025 to 31 December 2027.
- 50% further deduction for a company that provides up to 12 months of paid leave to employees caring for children or ill or disabled family members. Eligible for applications received by TalentCorp from 1 January 2025 to 31 December 2027.
- A special deduction to be claimed fully in the same year of assessment for expenditures incurred by Private Higher Education Institutions in relation to the development of new courses, including the development of Technical and Vocational Education and Training (TVET) courses by private skills training institutions. Effective for the year of assessment 2024 until 2030.

# Corporate Tax

## 5 ACA on ICT Expenditure on e-Invoicing software

- Proposed amendments on Accelerated Capital Allowance for ICT expenditure incurred in relation to customised development of e-invoicing software:

ACA	Current Rate	Proposed Rate
Initial Allowance	40%	20%
Annual Allowance	20%	40%

Effective for year of assessment 2024 until 2025

## 7 Double deduction on Structured Training Program (MySIP)

- Further enhancement of current double deduction on expenses incurred by companies implementing the Structured Training Program (MySIP) under TalentCorp to be extended to students participating in structured training conducted by industry regulatory bodies. Effective period will be extended until year of assessment 2030.

## 8 Expansion of approved charitable institutions

- It is proposed that the scope of approved institutions or organisations under Subsection 44(6) of the Income Tax Act 1967 to be expanded to include charitable institutions that made contributions to non-Malaysian citizens.

# Corporate Tax (Cont'd)

## 9 Approved donation to Rare Diseases Fund

- Government to establish new Rare Diseases Fund in 2025 and it is proposed that donation made will qualify for tax deductions equivalent to the actual amount donated.

## 13 Expansion of income tax exemption for islamic financial activities under labuan international business and financial centre

Proposed expansion for full income tax exemption for Labuan trading entities that undertake Islamic finance activities to include qualifying Labuan takaful business activities and Labuan takaful related activities.

# Tax Incentives

## 10 Extended tax incentive for increased exports

- Tax incentives for increased exports in the form of tax exemption of up to 70% of the statutory income equivalent to 50% of the value of increased exports will be extended to integrated circuit (IC) design activities.

## 14 Extension of tax deduction for contribution or sponsorship of smart artificial intelligence-driven reverse vending machine

- Existing tax deduction for contributions or sponsorships of Smart AI Driven RVM to be extended for a period of 2 years for applications received by MOF until 31 December 2026.

## 11 Incentive under supply chain resilience initiative

Supply Chain Resilience Initiative is introduced with the following incentives:

- Multinational enterprises (MNEs) can claim double deductions on expenses up to RM2 million per year for three years.
- MNEs or their suppliers that invest in joint ventures with Malaysian suppliers will receive a tax deduction on their investment.
- Local suppliers can qualify for a tax incentive package based on performance outcomes.

## 15 Review of tax incentive for automation in manufacturing, services, and agriculture sectors

- Accelerated Capital Allowance (ACA) of 100% on the first RM10 million of eligible capital expenditure that can be fully absorbed within 1 year expanded to include companies involved in commodities sector under the Ministry of Plantation and Commodities. The company is also eligible for a 100% income tax exemption on the same capital expenditure.

## 12 Special tax incentive under new investment incentive framework

Special income tax incentives for investments in 21 economic sectors in states such as Perlis, Kedah, Kelantan, Terengganu, Sabah, and Sarawak, subject to the achievement of economic benefits.

## 16 Tax incentive for smart logistic complex

- Income tax exemption equivalent to an ITA of 60% on qualifying capital expenditure to be set off against 70% of statutory income for SLCs subject to fulfilment of certain conditions. Effective, for application received by MIDA, from 1 January 2025 to 31 December 2027.

# Tax Incentives (Cont'd)

## 17 Review of tax incentive on ESG (environmental, social, and governance) based investments.

- Proposed Investment Tax Allowance and Tax exemption for Carbon Capture and Storage (CCUS) activities.

## 21 Amendments on Stamp Duty on the Assignment of Life Insurance Policy and Family Takaful Certificate

- It is proposed that for stamp duty be at a fixed rate instead of ad-valorem rates as per existing legislation for deed of assignment for life insurance policy and family takaful certificate given by way of love and affection or through a trustee. For deed of assignment executed from 1 January 2025.

# Indirect & Other Taxes

## 18 Review of Sales Tax & Expansion of Service Tax Scope

- It is proposed that sales tax will be imposed on non-essential items, including imported premium items, such as salmon and avocado while the scope of service tax will be expanded to include commercial services, such as fee-based financial services.

## 19 Sales Tax Exemption on Mastectomy Bra for Breast Cancer Patients

- It is proposed that sales tax exemption be given for mastectomy bras instead of subjected to 0% Import Duty and 10% Sales Tax as per current practice. The exemption is effective, for applications received by the Ministry of Finance, from 1 November 2024 until 31 December 2027.

## 20 Introduction of Carbon Tax on iron, steel, and energy

- It is proposed that Government will introduce a carbon tax on iron and steel, as well as energy industries by the year 2026.

## 22 Review of Stamp Duty on loan or financing agreements based on Shariah Principles

- To impose a fixed stamp duty of RM10 on loan or financing agreement for the purchase of goods based on Shariah principles other than hire purchase, instead of an ad-valorem stamp duty rate of 0.5%.
- For loan or financing agreements based on Shariah principles executed from 1 January 2025.

## 23 Exemption from stamp duty on loan or financing agreement instruments executed by Micro-small and medium enterprises (MSMEs)

- Full exemption from stamp duty on loan or financing agreement instruments executed by MSMEs and investors through the Initial Exchange Offering platform registered with SC.
- For loan or financing agreements executed from 1 January 2025 until 31 December 2026.

# Indirect & Other Taxes (Cont'd)

- 24** **Revision of Stamp Duty Exemption on Loan or Financing Agreements for Skim Pembiayaan Mikro (“SPM”)**
- It is proposed that increase in stamp duty exemption be given to MSMEs on execution of SPM loan or financing agreements, from RM50,000 to RM100,000.
  - For loan agreement executed from 1 January 2025.
- 25** **Implementation of self-assessment system for stamp duty**
- The self-assessment stamp duty system (STSDS) will be implemented in phases based on the types of instruments or agreements. The phased implementation dates are 1 January 2026, 1 January 2027, and 1 January 2028.
- 26** **Review of Excise Duty Rate on Sugar Sweetened Beverages**
- Excise duties on sugary drinks will be increased gradually, starting with a 40cent increase on 1 January 2025, where the additional funds will be used to fund public health, including diabetes treatment centre.
- 27** **Review of export duty exemption on crude palm oil**
- It is proposed that export duty for crude palm oil rates be revised from 1 November 2024.
- 28** **Review of Threshold Value for Windfall Profit Levy**
- Further revision by increasing the threshold of windfall profit levy for Palm Oil Producers in Peninsular Malaysia from RM3,000 per metric tonne to RM3,150 per metric tonne and for Sabah and Sarawak from RM3,500 per metric tan to RM3,650 per metric tonne.
  - Effective from 1 January 2025.



KUALA LUMPUR EDITION

# 2025 MALAYSIA BUDGET TAX SEMINAR

"Ekonomi MADANI, a Prosperous Nation for the Well-being of the Rakyat"

# SALIHIN



4<sup>th</sup> Nov 2024 (Monday)



8.00 AM - 5.30 PM



Royale Chulan Damansara

Be part of the conversation at our seminar where our team of tax professionals and valued panellists offers a thorough analysis of the budget and provide insights into the key components and implications of the budget. Engage in discussions that will deepen your understanding with the knowledge necessary to construct informed decisions for your organization. Join us for this opportunity to enhance your expertise and connect with industry leaders.

SPEAKERS/PANELLIST



**Dato' Sri Dr. Mohd Nizom Bin Sairi,**  
SALIHIN Tax Advisor & Former CEO of the Lembaga Hasil Dalam Negeri Malaysia (LHDNM)



**Dato' Abd Aziz Abu Bakar,**  
SALIHIN Tax Advisor & President of the Malaysian Association of Tax Accountants (MATA)



**Puan Raizam binti Setapa@Mustapha,**  
Assistant Director General (Enforcement),  
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**Chin Chee Seong**  
National President  
SME Association of Malaysia



**Dr. Mohd Afzanizam Abdul Rashid,**  
Chief Economist & Social Finance,  
Bank Muamalat Malaysia Berhad (BMMB)



**Surin Segar Gnanasegaram,**  
Senior Executive Vice President,  
Head Group Tax Maybank



**Dr. Rasyidah Che Rosli,**  
Director, E-Invoice Division,  
Tax Operations Department, Inland Revenue Board Of Malaysia (LHDNM)



**Ivy Ling Yieng Ping,**  
Partner,  
Lee Hishammuddin Allen & Gledhill



**Muhammad Aminudin Awaludin,**  
Tax Director, SALIHIN

TOPICS

Overview of the 2025 Malaysia Budget

2025 Budget Proposals: Tax Updates And Changes

From Enforcement To Compliance: Insights Into Customs Cases

Tax Cases And Legislative Updates

E-Invoicing Implementation Insight

FEES

**Normal**  
(Reg. close 28<sup>th</sup> Oct 2024)  
i) Individual - RM1,100.00  
ii) Group (>3 pax) RM1,000.00

**Early bird**  
(Reg. before 18<sup>th</sup> Oct 2024)  
i) Individual - RM950.00  
ii) Group (>3 pax) - RM900.00

**Client rate**  
(Reg. before 25<sup>th</sup> Oct 2024)  
i) Individual - RM800.00  
ii) Group (>3 pax) - RM700.00

**Government rate**  
(Reg. before 28<sup>th</sup> Oct 2024)  
**RM750.00 / pax**



Register [Here](#)

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# About SALIHIN

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**2002**  
Established since



**Over 250**  
Professional team members



**Over 20**  
Local & International Shariah Board Member



**Over 50**  
Partners, directors & associate consultants



**Over 1,000**  
Years of cumulative service experience



**Over 1,200**  
Client base for various services

*Think*  
**Differently**

SALIHIN consistently embodies the "Think Differently" philosophy in serving its stakeholders. Think Differently is more than simply a phrase; it's a driving force behind empowering SALIHIN's professionals to uphold our core values:

**KNOWLEDGE | ACCOUNTABILITY | HARMONY**



## Our Mission

To create sustainable values for stakeholders through exceptional and responsible professional practices.



## Our Vision

To be the preferred and leading professional services firm.

**SALIHIN** (RN1710163163)  
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**3** CONTINENTS

**10** COUNTRIES

**16** LOCAL & INTERNATIONAL PARTNERS

**SALIHIN International** empowered by its global network of independent Member Firms, Collaborating Firms, and Strategic Partnerships, serves a diverse range of clients worldwide.

Kuala Lumpur  
Gombak  
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Kuching

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