

Headline	Local property players call for govt to help businesses affected by Covid-19		
MediaTitle	The Malaysian Reserve		
Date	09 Apr 2020	Color	Full Color
Section	Corporate Malaysia	Circulation	12,000
Page No	6	Readership	36,000
Language	English	ArticleSize	509 cm ²
Journalist	FARA AISYAH	AdValue	RM 5,362
Frequency	Daily	PR Value	RM 16,086



Local property players call for govt to help businesses affected by Covid-19

The month-long MCO has halted all non-essential activities, including disallowing many parties to perform their contractual obligations

by FARA AISYAH

MALAYSIAN property players want the government to pass a law that will protect all industries from legal actions following the implementation of the Movement Control Order (MCO).

The Real Estate and Housing Developers' Association (Rehda) president Datuk Soam Heng Choon said the association applauded the government's measures to protect the rakyat who are facing difficulties in meeting their financial obligations during these trying times.

He said the MCO, which has since been extended to April 14, has resulted in the halt of all non-essential activities, including disallowing many parties to perform their contractual obligations.

"However, we believe that an all-encompassing force majeure exemption bill or a Covid-19 (temporary measures) bill to lawfully protect players of all industries



Soam calls upon the govt to give due consideration to the Covid-19 (Temporary Measures) Bill which would benefit not only property players, but other industries as well

is much needed to ensure that every party is safeguarded from any form of penalisation that would be imposed under normal circumstances," he said in a statement.

He said the current partial lockdown has prevented buyers from fulfilling their obligations with regards to various processes like completing documentation and progress payment, which must be

made within 21 days due to financial institutions' scaled down operations in adherence to the MCO.

"Developers are also likely unable to meet their completion deadlines as a result of the MCO that has affected the whole supply chain, thus it will take longer to achieve optimum output from construction activities on site," he said.

Rehda believes that the enactment of such bill would benefit not only purchasers, developers, financiers and other property industry players, but other industries as well.

"This unprecedented outbreak is expected to have long-term effects in all imaginable aspects. As such, we call upon the government to give due consideration to the Covid-19 (Temporary Measures) Bill to ensure that all Malaysians will not be further burdened unnecessarily," he said.

Meanwhile, Knight Frank Malaysia Sdn Bhd MD Sarkunan Subramaniam said the 30% rental discounts to small and medium enterprises (SMEs) during the MCO and three months after it ends — by granting the landlords equivalent tax deductions — should be extended to all businesses since the remaining 60% contributions to national economy are attributed to businesses other than SMEs.

"We regret that this initiative is purely for SME tenants and urge the government to extend it to all tenants as they are also facing challenges in sustaining their businesses amid this unprecedented event.

"All companies, small or big, are important for the country's eco-

nomy, no one should be left out," he said in a statement.

He added that all other business activities have literally slowed or ground to a halt during the month-long MCO.

Sarkunan said the wage subsidy programme should also be opened to all Malaysian companies.

He urges state governments to consider a moratorium on quit rent and assessment for the second half of 2020 (2H20), which is one of the quickest ways to reduce business cost.

"To cushion the economic hit caused by the Covid-19 pandemic, governments in other countries have rolled out supporting policies to shore up the confidence of businesses.

"We wish the various state governments could look into this closely and assist organisations in this unprecedented period," he said.

Sarkunan said the Singapore government has announced property tax rebates of up to 100% for non-residential properties for the tax payable this year, while in Jiangsu Province, China, the local government has introduced exemption of property tax and urban land use tax for industries severely affected by the pandemic in 1H20.