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Reinvestment Allowance period extended

IN a move to attract new investors and encourage existing ones to continue reinvesting, the Government has extended the period for Reinvestment Allowance from five to 15 years.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the proposal would allow existing investors to continue to reinvest in expansion projects, modernisation, automation and diversification.

He said the Government would continue to offer special incentive packages to attract quality investments.

Dr Mahathir, who is also Finance Minister said public sector contribution to the Gross Domestic Product (GDP) declined to 12.8 per cent compared with 32 per cent prior to the financial crisis.

He also said the Government has provided a RM5 million grant for the development of RosettaNet, an Internet-based common order code for the small and medium companies to communicate directly with global suppliers.

On the participation of the Bumiputera community in the industrial and commercial activities, particularly in the retail sector, Dr Mahathir said up to Oct 8, a total of 2,997 Bumiputera entrepreneurs in the retail sector have been trained.

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