



**New mega skyscraper announced
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Permodalan Nasional Bhd (PNB) will undertake an integrated development project costing RM5 billion, which will include a 100-storey tower, to be completed in 2015, said Prime Minister Najib Abdul Razak.

"We take pride in our national icon, the Petronas Twin Towers. It signifies the spirit of Malaysia Boleh. Another landmark to be developed by PNB is Warisan Merdeka, expected to be ready by 2020," he said when tabling Budget 2011 in Parliament today.

The tower will be the tallest in Malaysia.

The project will retain Stadium Merdeka and Stadium Negara as national heritage. Total project cost is RM5 billion, with the tower expected to be completed by 2015, he added.

No toll hike for five years

The toll rates on four highways owned by Plus Expressways Berhad will not be raised for the next five years as a means of alleviating the burden of highway users, Najib said.

He said the government was very concerned with the rising transport cost borne by the people.

Import duty on 300 goods to be abolished

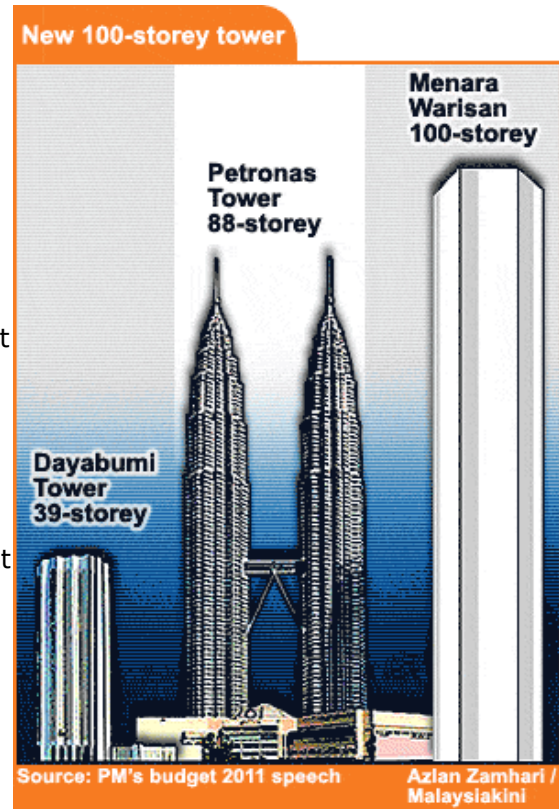
The government plans to abolish import duty on approximately 300 goods preferred by tourists and locals, which at present range from 5 per cent to 30 per cent.

Prime minister said this was to make Malaysia a shopping haven in Asia by providing branded goods at competitive prices.

"Such goods are apparel, handbags, shoes, shampoo, suits, children's apparel, wallets, hair colourants, golf balls, imitation jewellery, talcum powder, curtains, table cloth, blankets, bed sheets, shirts, undergarments, lingerie, nightwear, perfumes and mosquito netting," he said.

Najib said the tourism industry, which generated revenue of RM53 billion in 2009, had the potential to provide more business and employment opportunities as well as further increase the nation's income.

He said to further energise the tourism industry, efforts would be intensified to attract more foreign tourists by offering innovative tourism packages and products.





For this, the government will implement the following initiatives:

- * Provide infrastructure facilities with an allocation of RM85 million to facilitate construction of hotels and resorts in remote areas with the potential to attract tourists.

- * Construct several shaded walkways in the KLCC-Bukit Bintang vicinity with an allocation of RM50 million.

- * Nexus Karambunai, a renowned resort in Sabah, is committed to develop an integrated eco-nature resort, the first in the world, by leveraging on the natural beauty and uniqueness of Karambunai.

The RM3 billion project will commence next year. To support the tourism industry, the government will allocate RM100 million.

Incentives for civil servants

A special payment of RM500 and the abolishment of the Competency Level Assessment (PTK) are among incentives for civil servants in the 2011 Budget.

The special payment, to be made in December, was to help reduce the burden of civil servants in coping with schooling expenses, he added.

On the PTK, Najib said it would be replaced in June with a more suitable evaluation system acceptable to civil servants.

He said the government would also increase the rate for funeral arrangement assistance for civil servants, including pensioners, to RM3,000 from the current RM1,000 due to the rising funeral expenses.

To facilitate house ownership as well as improving the terms and conditions for housing loans, the government would raise the maximum eligibility to RM450,000 compared with RM360,000 currently, Najib said.

Najib said the government would also allow the purchase of properties from parents, children and siblings apart from raising the amount of loan from RM10,000 to RM20,000 for additional works on low-cost houses for those in the Support Group II.

"The above improvements to housing loans will be effective Jan 1, 2011," he said.

Education revamped to enhance thinking skills



amped to focus on thinking skills, character
tiveness, said Prime Minister Najib Abdul Razak.

velopment expenditure to build and upgrade
as well as to uphold the status of the teaching

ward high-performance schools as well as for the

remuneration of principals, head teachers and excellent teachers, he said.

To nurture early education, the government allocates RM111 for Permata programme, including the construction of the second phase of Sekolah Permata Pintar school complex, 32 Permata children centres (PAPN) and financing operations of 52 completed PAPNs as well as continuing Permata Pintar, Seni, Insan and Remaja, he said.

Najib said to bolster primary and secondary education, the government allocated RM250 million for development expenditure to religious schools, Chinese-type schools, Tamil national schools and government-assisted schools nationwide.

"Recognising the importance of Islamic education, the government will provide assistance per capita for primary and secondary rakyat religious schools with an allocation of RM95 million.



"To provide competent and quality teachers and instructors to better guide and educate students, the government allocates RM576 million in the form of scholarships for those wishing to further their studies.

"A total of RM213 million is allocated to enhance proficiency in Bahasa Malaysia, strengthen English language as well as streamline the standard curriculum for primary schools," he added.

He said the 1Malaysia Development Berhad (1MDB) would provide multi-vitamins for primary school students in an effort to enhance the mental development and strengthen the immune system of students.

Sales tax exemption for mobile phones

The government has proposed sales tax exemption for mobile phones, effective 4pm today, prime minister announced today.

"To harmonise tax treatment on Personal Digital Assistant (PDA) with Global System Mobile (GSM) and ordinary mobile phones, it is proposed that mobile phones be exempted from sales tax," he said.

Currently, ordinary mobile phones are subject to 10 per cent sales tax, whereas PDA and GSM, which may also function as mobile phones, are given sales tax exemption under the Sales Tax (Exemption) Order 2008.

Therefore, sales tax treatment on mobile phones and that of other equipment, which may also function as mobile phones such as PDA with GSM, is not the same.

RM350 mil for crime eradication

The government has allocated RM350 million to implement various crime eradication programmes for a safer and more peaceful environment in the country.

The funds would be used to combat criminal activities such as house break-ins, car and motorcycle thefts, as well as carry out safe city programmes and the volunteer patrol scheme, especially in high-risk areas.

Najib said the street crime index dropped by 38 per cent, while the overall crime index was down by 16 per cent in the first nine months of this year.

Stamp duty exemption on housing loans

In an effort to ensure every citizen owns a residential property, the government has proposed stamp duty exemption on instruments of transfer and loan agreements for residential property.

To encourage ownership of the first residential property, it has proposed that a stamp duty exemption of 50 per cent be given on instruments of transfer of a residential property priced not exceeding RM350,000.

The exemption is granted for the first residential property purchased by a Malaysian citizen and it can be claimed once only within the exemption period, prime minister said today.

Residential properties include terrace houses, condominiums, apartments or flats, he said when tabling the Budget 2011.

The effective date for the exemption is for sales and purchase agreements executed between Jan 1, 2011 and Dec 31, 2012, said Najib.

As for the stamp duty exemption on loan agreements for residential property, he said there would be also a stamp duty exemption of 50 per cent for residential property prices not exceeding RM350,000.

This exemption is applicable for sales and purchase agreements executed from Jan 1, 2011 to Dec 31, 2012.

Mandatory blending of biofuels

The government will implement the programme on blending of biofuels with petroleum diesel (B5 Programme) on a mandatory basis beginning in Putrajaya, Kuala Lumpur, Selangor, Negeri Sembilan and Melaka in June 2011.

Prime minister said the government will also implement the feed in tariff mechanism under the Renewable Energy Act, to allow electricity generated from renewal energy by individuals and independent providers to be sold to utility companies.

EPF can invest up to 20 percent

Government-linked investment companies (GLICs), such as the Employees Provident Fund, can now invest up to 20 per cent overseas of the total assets managed as compared with seven per cent previously.

"GLICs will be allowed to increase investment in overseas markets to explore opportunities for better returns," said Najib.

GLICs will also divest their shareholdings in major companies listed on Bursa Malaysia to increase liquidity and trading velocity in the market.

