

# THE HIGHLIGHTS

## Where the spending and relief go

### OUTLOOK

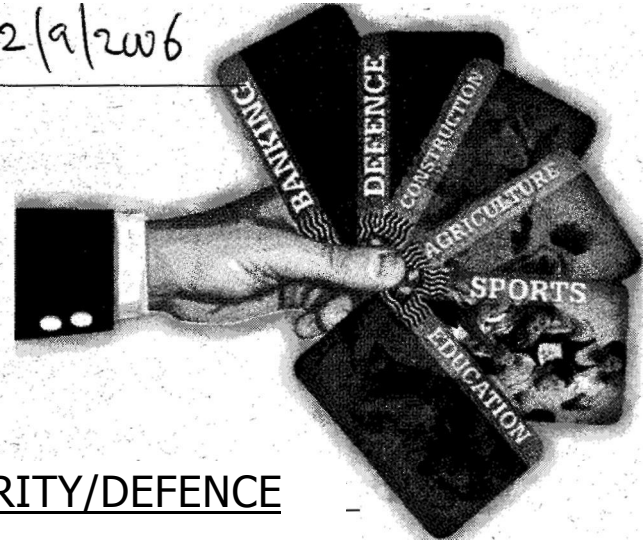
RM159.4 billion

RM112.9 billion operating expenditure (up 11.6%)

RM46.5 billion development expenditure (up 31%)

Federal revenue: up 11.8% to **RM134.8 billion**

2/9/2006



### TOURISM

- **RM149 million** for Visit Malaysia Year 2007

Income tax exemption for tour operators providing tour packages with at least 500 inbound tourists or 1,200 local tourists annually (extended for five years until ...2011)

- ~\* Income tax exemption to employees for local leave passage provided by employers, which currently, is only given for fares, to be extended to include expenses on accommodation and meals



### SECURITY/DEFENCE

**RM4.9 billion** to enhance capacity/role of police to increase public confidence and ensure best security

Additional 2,000 police patrol cars deployed

Police drivers increased by 3,000 while allowance for motorcycle spare parts for patrolling policemen increased from

**RM80 to RM120**



### AGRICULTURE

**RM3.6 billion** to increase productivity and efficiency in marketing, production and expansion

- **RM40 million** to implement Beef Valley in Gemas, Negri Sembilan
- **RM92 million** for aquaculture industry, including Ornamental Fish Cluster Projects in Penang, Kedah and Perlis and as Freshwater Fishery Research Centre, Negri Sembilan.

### EDUCATION

Tax relief on book purchase increased to **RM1,000** annually

- **RM500** computer purchase rebate upgraded to **RM3,000** tax relief once in three years

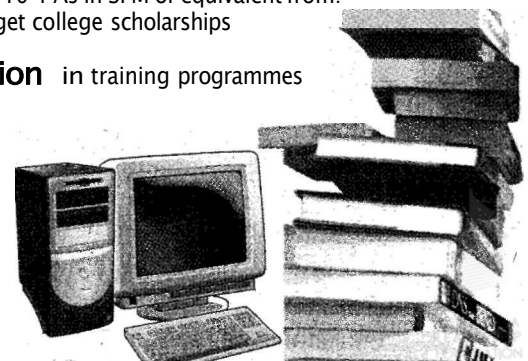
Examination fees for UPSR, PMR, SPM & STPM abolished

**RM6.7 billion** (primary), **RM6.2 billion** (secondary), **RM10.4 billion** (higher education) and **RM10.1 billion** (Training programmes)

Chinese taught as full subject in 150 national schools/Tamil taught in 70 national schools

Students scoring 10 1 As in SPM or equivalent from poor families to get college scholarships

**RM214 million** in training programmes under Mara, Advanced Skills Training Institutes, Giat Mara programme & UniKL



### CORPORATE

10-year tax exemption for venture capital companies investing at least 50 per cent of investment funds in seed capital

Tax deduction for zakat paid by cooperatives & trust bodies up to 2.5 per cent of aggregate income

- Tax guidelines simplified/Legal ambiguities clarified to ensure compliance with tax laws

### CONSTRUCTION/HOUSING

**RM101 million** to implement 67 housing projects/facilities for teachers

**RM450 million** to construct/upgrade polytechnics & community colleges

### CIGARETTES AND LIQUOR

**H Cigarettes:** Duty up by one sen per stick

Liquor with alcohol content of over 40 per cent specific excise duty up by

**RM5 per litre**



### CIVIL SERVANTS

**g1 Civil service fixed allowance for supporting staff:**

up between **RM30&RM50**

Civil servants earning up to **RM750** monthly: Two months bonus

Those earning more than **RM750** monthly: One month bonus

(Subject to **RM1,500** minimum)