

# Faster tax refunds coming soon

## Anwar: Govt allocated RM4bil for payments to individuals, businesses

**PUTRAJAYA:** The government has increased the tax refund allocation from RM2bil to RM4bil to expedite outstanding payments to taxpayers, including small businesses, says the Prime Minister.

Stating that the government should not owe money to the people, Datuk Seri Anwar Ibrahim said the Inland Revenue Board (LHDN) would begin the phased processing of refunds to eligible taxpayers from today.

He said the Treasury would increase the allocation if RM4bil was insufficient, adding that Finance Minister II Datuk Seri Amir Hamzah Azizan and Treasury secretary-general Datuk Johan Mahmood Merican would liaise with the LHDN chief executive officer to assess the sum.

Speaking at the closing of the "Rancangan Madani Bersama Malaysiaku" programme here yesterday, Anwar said the government's debt to companies must be

settled as soon as possible.

He said there was a need to change past practices where large companies could negotiate reductions, while smaller businesses were required to pay in full.

He said the increase in the refund allocation followed complaints from small business owners about delays in tax refunds.

On the national debt, Anwar said that it was a legacy from previous administrations and could not be resolved in the short term.

"How can RM1 trillion, RM1.5 trillion, RM1.3 trillion be paid this year? These debts span decades. The amounts owed to companies - billions of ringgit - are legacy issues we have long inherited.

"We can pay gradually, but because we recognise the problem and have political and moral will, we are speeding up payment and adding allocations.

"But to expect everything to be

settled this year and to blame the Madani government is unreasonable. We will do our utmost," he pledged, Bernama reported.

Anwar reaffirmed that institutional reforms remained a priority for the government, including the implementation of the Fiscal Responsibility Act (FRA) to strengthen public financial management and boost investor confidence.

Parliamentary reforms were also being expanded, including granting more space and authority to Opposition MPs to chair committees which were previously ignored.

"Several reform initiatives will be rolled out next year, including

the establishment of an Ombudsman which is being drafted by the relevant ministries to enhance public sector accountability," he said.

In addition, the Government Service Efficiency Commitment Act 2025 will apply pressure on civil servants to be more accountable and improve their performance.

Anwar also said Malaysia had almost completely eliminated hardcore poverty, with the current rate at just 0.09%.

"I have informed the officers, including the Implementation Coordination Unit (ICU), that we should be able to resolve it before the first quarter of 2026.

"The unemployment rate is also around 3% as of September. We can see our success in the way we manage things; in predicting sudden floods, the preparations are much better - from the King to the people, everyone is doing

something to help ease and reduce the burden of the rakyat," he said.

Anwar said the Malaysian ringgit was at its best today with investments having increased.

"We know the ringgit's performance is the highest in Asia; we know investments have risen significantly, reaching major increases in trade-high investments and trade growth of 44% with a cumulative value of RM2.335 trillion.

"This is a modest country with a population of around 34.5 million people, yet cumulative trade and trade growth have now reached RM2.235 trillion. So this is a very impressive and proud achievement," he added.

The Rancangan Madani programme, which ended yesterday, had more than 300 touchpoint services, a career carnival, interactive exhibitions, family entertainment and special promotions for visitors.