

PM announces five measures to promote domestic direct investment
TheStarOnline
July 03, 2012
BY MAZWIN NIK ANIS

KUALA LUMPUR: Prime Minister Datuk Seri Najib Tun Razak on Tuesday announced five new measures to further promote domestic direct investment.

The measures include the setting up of a Domestic Investment Strategic Fund worth RM1bil to accelerate the participation of Malaysian-owned companies in targeted industries.

The government will also re-introduce incentives for acquiring foreign companies to enable them to acquire state-of-the-art technologies.

Malaysian-owned manufacturing companies that have been operating for about a year and have undertaken promoted products and activities under the Promotion of Investments Act are now eligible to apply for tax incentives.

Under the newly-announced measures, Malaysian-owned companies are also eligible to apply for tax incentives by increasing the eligibility shareholders' funds threshold from RM500,000 to less than RM2.5mil.

There will also be a special tax rate to encourage small Malaysian service providers to merge into larger entities.

These measures, which take effect immediately, were announced by Najib when opening the Malaysian Investment Development Authority's (Mida) headquarters and the launch of its new logo here.

Copyright © 1995-2012 Star Publications (M) Bhd

Source:

<http://thestar.com.my/news/story.asp?file=/2012/7/3/nation/20120703104844&sec=nation>