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Budget 2018 continues to focus on the needs of the rakyat with measures to enhance the accessibility of education, homeownership and raise the disposable income of the low and middle-income groups to increase their purchasing power. From the corporate tax perspective, there are tax incentives offered for the tourism, healthcare and principal hub services, which include raising tax exemption on increased export revenue and extending the investment tax allowance (ITA) on capital expenditure. The government's focus on these strategic sectors is laudable as the current strength of the ringgit and the relatively low cost of business in Malaysia have made these sectors more competitive. Perhaps some incentives should have been granted to the education sector as well, which has the potential to export more of its services.

The much-anticipated digital tax and incentive regime to enhance Malaysia's digital economy through attracting established foreign players were not visibly dealt with in the budget announcement. I look forward to further updates in the near future.