

PRESS STATEMENT

Petaling Jaya, 16 September 2009

REHDA Hails Revision of Stamp Duty on Construction Contracts

REHDA Malaysia welcomes the announcement made by the Ministry of Finance (MoF) on the revision of stamp duty imposed on all service agreements including construction contracts to RM50 as opposed to the earlier ad valorem rate of 0.5% of contract value which was implemented pursuant to the amendment of the Stamp Act with effect from 1 January 2009.

REHDA President, Datuk Ng Seing Liong said the move will certainly help to mitigate increased costs of construction particularly during these trying times as the previous imposition of ad valorem duty has led to the upsurge of construction costs.

However, REHDA is of the view that the stamp duty rate should be retained at RM50 throughout and not limited to only contracts perfected between 15 September to 31 December 2010.

REHDA urges the government to consider our proposal to retain the duty at RM50 to prevent further increase in construction cost in the future. Any increase in construction cost will inevitably result in upward revision of prices for new housing and property launches” said Datuk Ng.

Issued by:

Datuk Ng Seing Liong, PJK, JP

拿督黃騰亮 太平局紳

PRESIDENT

REAL ESTATE AND HOUSING DEVELOPERS' ASSOCIATION MALAYSIA