



PRACTICAL STEPS TO CONSIDER IN RESPONSE TO THE COVID-19 CRISIS



TAX SUBMISSION DEADLINE EXTENSION

1. IRBM has provided extension of time for the submission of the following return forms:-

FORM TYPE		DUE DATE FOR SUBMISSION	GRACE PERIOD EXTEND TO
Form E		31/3/2020	31/5/2020
Form BE		30/4/2020	30/6/2020
Form B		30/6/2020	31/8/2020
Form P		30/6/2020	31/8/2020
Form M		Without Business 30/4/2020	Without Business 30/6/2020
Form MT			
Form TF			
Form TP		With Business 30/6/2020	With Business 31/8/2020
Form TJ			
Form C	Year End		
	31/7/2019	29/2/2020	30/4/2020
	31/8/2019	31/3/2020	31/5/2020
	30/9/2019	30/4/2020	30/6/2020
	31/10/2019	31/5/2020	31/7/2020
	30/11/2019	30/6/2020	31/8/2020
No extension	31/12/2019	31/7/2020	31/8/2020
The grace period has been extended for 2 months from the due date of submission			
Company			
CP204 Payment - Mar 2020		15/4/2020	30/4/2020
CP204 Tax revision submission		31/3/2020	30/4/2020
Individual			
CP500 Payment - 1st Instalment		31/3/2020	30/4/2020
Employer			
PCB, CP38 Payment - Mar 2020		15/4/2020	No extension
EPF Contribution - Mar 2020			
SOCSSO Contribution - Mar 2020			
EIS Contribution - Mar 2020			

2. Company can submit a revision of income tax estimates in the fourth (4th) month of the basis period (Eg. YE 31.12.2020) in order to save cash flow during the MCO period.
3. All SMEs will be given automatic deferment of monthly tax instalment CP204 payments for a period of 3 months commencing from 1.4.2020.
4. For more information, visit [this link](#)



CUSTOM EXTENSION DEADLINE

CUSTOM	DUE DATE FOR SUBMISSION	EXTENSION GIVEN TO
Sales Tax	31/3/2020	30/4/2020
Service Tax		
Tourism Tax		



SURUHANJAYA SYARIKAT MALAYSIA
COMPANIES COMMISSION OF MALAYSIA

SSM EXTENSION DEADLINE

STATUTORY DOCUMENT		FILING DEADLINE	EXTENSION
1	Annual Returns	February, March and April	2 weeks from the expiry of MCO (to be updated as per SSM)
2	Private Company: - Audited Financial Statements - circulation and lodgement	February, March and April	2 weeks from the expiry of MCO (to be updated as per SSM)
			Application for extension of time must be made within 6 months from its financial year end
3	Public Listed Company: - Audited Financial Statements - holding Annual General Meeting and lodgement	February, March and April	2 weeks from the expiry of MCO (to be updated as per SSM)
			Application for extension of time must be made within 5 months from its financial year end

- i. **Rebate of 50% of the annual listing fees for the year 2020 for Listed issuers:**
Market capitalization below RM500 million as at 31 December 2019 and report financial losses as measured by Group loss after tax in their quarterly report for a quarter ended on any date between 1 April 2020 to 30 June 2020 (inclusive) notwithstanding the date of the submission of the same.
- ii. **Extension of time to submit regularization plan PN17/GN3 & 8.03A Listed Issuers:**
For listed issuers that are in financial distress according to Practice Note 17/Guidance Note 3 ("PN17/GN3 Listed Issuers") or do not have an adequate level of operations as set out in paragraph/Rule 8.03A of the Listing Requirements ("8.03A Listed Issuers"), the Exchange will be extending the timeframe for submission of the regularization plan from the existing 12 months to 24 months from the date they first announce they are PN17/GN3 Listed Issuers or 8.03A Listed Issuers. This applies to listed issuers that trigger the criteria in 2019 and 2020.
- iii. **Automatic 1-month extension to submit financial statements:**
Listed issuers are now granted an automatic 1-month extension for issuance of quarterly and annual reports for the Main and ACE Markets, as well as semi-annual and annual audited financial statements for the LEAP Market, that are due on 31 March 2020 and 30 April 2020. Notwithstanding the 1-month extension, listed issuers are reminded to comply with their continuing disclosure obligations under the Listing Requirements including the obligation to make immediate announcements of any material information to ensure that shareholders and investors continue to receive information in a timely manner.
- iv. **Greater flexibility for brokers to manage margin account:**
The Exchange will give more flexibility and discretion to brokers by removing the requirement to automatically liquidate their client's margin account if the equity in the margin account falls below 130% of the outstanding balance. Brokers will also not be required to make additional margin calls or impose haircuts on any collateral and securities purchased and carried in margin accounts due to an unusually volatile market.
- v. **Expanding the list of collaterals for purpose of margin financing:**
The exchange will allow brokers to accept other collaterals, such as bonds, collective investment schemes, unit trusts, gold and immovable properties for purposes of maintaining their clients' margin account if such collaterals are valued as per the broker's credit policy.
- vi. **Shortened counter service hours by market participants following the Movement Control Order:**
To safeguard the well being of investors and employees of market participants, Bursa Malaysia strongly encourages all market participants which provide counter services to customers to limit their operational hours from 10.00 a.m. to 3.00 p.m. during the MCO period.
- vii. **Extension of time for submission of CDS transaction forms to Bursa Malaysia**
All Authorized Depository Agents ("ADAs") are now given an extension of time for the submission of specified physical CDS transaction forms to Bursa Malaysia Depository Sdn.Bhd. The extension of time provided for submission are as follows:
 - Transactions performed between 2 March 2020 to 31 March 2020; granted extension of time for submission by 30 April 2020; and
 - Transactions performed between 1 April 2020 to 30 April 2020; granted extension of time for submission by 29 May 2020.



[READ MORE HERE](#)

We have proposed via accounting bodies and various associations some key measures below to help SME to conserve their cash flow based on the current situation. Some have been adopted by the Government and some are still being considered by the Government.

- Discount and rebates on utilities bills
- Suspension of license / renewal permits etc.
- Deferment of loans and tax installments (already announced)
- Subsidy for employee salary - RM600 that was announced recently is not sufficient
- Suspension of EPF contribution
- Suspension of export duties (on selected produce) and import duties (say sales tax)
- Suspension of digital tax
- Suspension of imported service tax

The above are costs that the Government can help. The balance areas like supplier's payment / rental / etc. - must be worked out by SME and their suppliers. We have extracted an article below for your consideration. There are some key steps that is essential for us to consider in order to survive this crisis.

Below is some practical advice as to what you can do to prepare yourself, where to find money, how to apply for financial assistance and what your banks are offering you.

Take a good look at your latest management accounts and cash flow reports and assume you are not going to get paid for a month, or two, or three. What is your breaking point? Now let's start from there.

Revenue management

Get in touch with your customers and understand their cash position. Find out if you will be paid at the end of this month? A part payment is better than no payment at all. Now add up all the projected inflows for the next month to three (if you can).



Our
Comments

The old saying that you aim to make a profit,
but survive on cash flow, is truer than ever.

Plan for the worst, hope for the best

Monthly overhead assessment

Calculate your monthly minimum overhead: start by taking your current month end payment run and do what your customers just did to you. Call your suppliers and negotiate payment terms. A part payment is better than full payment. Aim to ideally defer or reduce your month end payment run to the lowest possible number.

Next, address your biggest overheads, usually people and rent.

Rent – the easier part.

If you have been locked out of your premises owing to a government dispensation and you cannot trade, you have a very good case to negotiate a reduction or deferment in rental for the lock down period. This can be spread over a few months or added to the end of the lease (extending it).

People – a much harder subject.

This is obviously a sensitive area and you have a few options here - from full retrenchments, paid annual leave and short time. Owing to the complex labour legislation, we would advise that before you do anything, you reach out to your HR advisor or contact our HR Solutions Team.

In terms of other creditors and suppliers,
Negotiate, negotiate, negotiate.

Cash reserves

How much cash, in current accounts, investments and unutilised facilities, do you have? Take this number and add to it your projected inflows. Then deduct projected monthly overheads. If you get zero you are in trouble, if you get number that takes you past a month, two or three you have just established your 'breaking point'.

So now you know how much time you have before your business runs out of money.

Extending the breaking point

Now let's work on extending your breaking point. This is the time where you turn to every possible government agency, bank, lender and supplier to further assist your business.

If your business has a turnover of under R50m you make use of the following;

- SMME SA funding
- Rupert Foundation funding (to be announced)
- SARS deferment options
- UIF ETI incentives
- Sector specific funding (travel etc)

Various private and corporate funders are opening up their pockets to assist small business in SA. However, many of these mechanisms are not yet operational (4 April 2020). Our dedicated COVID-19 page will contain a list of all funding portals and will be updated on a regular basis.

Banks

Banks have come to the party (somewhat). As there was no central directive from the government, each bank has derived its own financial aid policy, with most of them running for a period of three months (1 April to 30 June) focusing on;

- Instalment cashflow relief, during which part or no instalments/repayments will be due for a specific period;
- A preferential interest rate;
- No fees/ lower fees charged for any relief granted;
- Assistance with processing credit insurance claims
- Individualised bridging and debt relief facilities

We expect that, like government aid packages, these will be adjusted as COVID-19 develops. Our view is that you should keep one of these links on your favourite tab in your browser and look out for updates.

Don't forget to speak to your banker directly, the earlier the better.

So now you know what to do and where to go to find cash, but how do you apply and what information do you need?

Most institutions, whether it be the banks, government institutions and other bodies usually ask for a similar set of information. Don't wait until the questions get asked, start working on compiling the following;

- Last annual financial statements
- Latest management accounts
- Forecasted impact of COVID-19 on your cash flows
- Three months bank statements for your trading account
- Copy of your Tax clearance certificate
- Copy of your BBBEE certificate
- Assets and liabilities for the directors/shareholders
- Latest rental statement
- Employment statistics (what percent are SA residents)
- Proof of employment of employees
- Ownership structure to individual level

The bottom line is that the future of your business is at stake, and this is the time to be bold, act swiftly, involve your business partners, bankers, accountants, lawyers to find a solution that guarantees that your business is around after COVID-19 is long gone.



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