

EMPLOYERS CIRCULAR NO. 1/2015

EXEMPTION OF THE HUMAN RESOURCES DEVELOPMENT LEVY FOR SMALL AND MEDIUM ENTERPRISES IN AREAS AFFECTED BY FLOOD

1.0 PURPOSE

- 1.1 The purpose of this Circular is to inform employers on the exemption of the HRD levy for a period of six months for small and medium enterprises (SME) in the flood affected areas with effect from 1 February 2015.

2.0 BACKGROUND

- 2.1 The Most Honourable Prime Minister when delivering his speech on current developments and the nation's financial position at Putrajaya International Convention Centre in Putrajaya on 20 January 2015 had announced the exemption of HRD levy payment for SMEs in the flood affected areas with effect from 1 February 2015. The purpose of the exemption is to assist businesses who suffer due to the recent flood in states as informed by National Security Council such as Kelantan, Terengganu and Pahang.
- 2.2 SMEs are defined as employers from manufacturing sector having employees not exceeding 200 employees and employers from services sector having employees not exceeding 75 employees.

3.0 EXEMPTION OF LEVY PAYMENT

3.1 SMEs from areas affected by the flood are eligible for the exemption of paying HRD levy from 1 February 2015 to 31 July 2015. To enjoy the exemption of paying HRD levy, employers have to submit an application to PSMB and to enclose evidence to support their application such as a police report, photos, insurance claim or any relevant documents.

3.2 Employers are given until December 2015 to submit their application for the exemption of paying HRD levy. Employers will lose their eligibility for the exemption of paying HRD levy if the application received by PSMB after December 2015.

4.0 APPLICATION FOR TRAINING GRANTS

4.1 Even though employers are exempted from paying HRD levy for six months with effect from 1 February 2015, they are encouraged to utilise their levy to upgrade the skills and knowledge of their workforce.

5.0 CLOSING

5.1 Please feel free to contact our Call Centre at 1 800 88 4800 should you require further clarification or assistance.

Thank you.

“PSMB – SHAPING PEOPLE”
“PEKERJA BERINOVASI PEMACU TRANSFORMASI”

Yours sincerely,

(CM VIGNAESVARAN A/L JEYANDRAN)
Chief Executive
Pembangunan Sumber Manusia Berhad