



PEMBANGUNAN SUMBER MANUSIA BERHAD (545143 D)  
KEMENTERIAN SUMBER MANUSIA  
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*Our ref.* : (26)PSMB/20/8  
Kulit 5  
*Date* : 22 July 2009

## **EMPLOYERS CIRCULAR NO. 14/2009**

### **ADHERENCE TO THE ENFORCED RATE OF PAYMENT OF THE HUMAN RESOURCES DEVELOPMENT LEVY**

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#### **1.0 PURPOSE**

- 1.1 The purpose of this Circular is to inform employers on the adherence to the enforced rate of payment of the human resources development (HRD) levy.

#### **2.0 BACKGROUND**

- 2.1 Section 14(1) of the Pembangunan Sumber Manusia Berhad Act 2001, in general, determined the rate of payment of the HRD levy at 1% of the total monthly wages of employees.
- 2.2 The Honourable Minister of Human Resources in exercise of the powers conferred by section 14(2) of the same Act may also from time to time, by order published in the Gazette, reduce or increase the rate of the HRD levy; or by section 19, exempt fully or partly any employer or class of employers from the payment of the HRD levy.
- 2.3 Employers from the textile industry, and electronics and electrical industry had been exempted from the HRD levy beginning February 2009 until July 2009, while from August 2009 until March 2011, the rate of payment for both industries have been determined at 0.5%.
- 2.4 Small employers (employers having 10 to 49 employees and with a paid-up capital of less than RM2.5 million) are exempted from the HRD levy for 2 years, beginning April 2009 until March 2011.
- 2.5 For other industries, the rate of levy has been reduced to 0.5% for 2 years with effect from April 2009.

### 3.0 ADHERENCE TO THE ENFORCED RATE OF PAYMENT

- 3.1 Since the rate of payment of the HRD levy is determined by law, all employers are required to strictly abide to the rate of payment that is currently being enforced. Any shortfall is considered under-declared and employers are required to pay the differences including interest imposed at the rate of 10% in respect of each day of default or delay in payment of the HRD levy.
- 3.2 Likewise, any excess is considered over-payment and will be refunded.
- 3.3 All employers are required to pay the HRD levy at 1% beginning April 2011.

### 4.0 CLOSING

- 4.1 Please feel free to contact our Customer Service Centre at 03 – 2096 4600 or the following officers should you require further clarification or assistance.
- (i) Siti Haida binti Mohd. Aini  
(telephone number: 03 – 2096 4854); and
  - (ii) Haliza binti Hassan  
(telephone number: 03 – 2096 4827).

Thank you.

***“PEKERJA TERLATIH MENJANA KECEMERLANGAN”***  
***“Kerana Mu Malaysia Maju”***

Yours sincerely,

**( AMIRNUDDIN BIN MAZLAN )**  
Deputy Chief Executive (Management)  
for Chief Executive  
Pembangunan Sumber Manusia Berhad