



e-Alert

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arsa[®]
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ASSOCIATES

HOME OWNERSHIP CAMPAIGN (“HOC”)

(Under the Short-Term Economic Recovery Plan (PENJANA) – the Prime Minister has announced that the campaign shall commence starting 1 June 2020 – 31 December 2021)

In 2019, the HOC was a government initiative designed to support homebuyers looking to purchase property. At the same time it also encouraged the sale of unsold properties in Malaysia's housing market.

Last year the campaign ran from 1 Jan 2019 – 30 June 2019; and then extended till 31 Dec 2019.

Now, with its revival, the HOC will attract all potential buyers of certain properties with the support of key financial incentives, as follows:-

(below is a comparison between HOC 2019 and HOC 2020)

■ 2019

- full stamp duty exemption till RM1.0million value : under the scheme, successful applicants enjoyed 100% stamp duty exemption on Instrument of Transfer for any residential home purchase up to the value of RM1 million
- partial stamp duty exemption till RM2.5million value : for properties worth more than RM1million up to RM2.5million, you paid 3% stamp duty on the Instrument of Transfer

CONTRIBUTOR

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- Instruments on securing loan exemption : all properties within the scheme enjoy stamp duty exemption on Instrument securing loan
- 10% housing developer's discount : enjoy a minimum 10% reduction on the purchasing price of properties

■ 2020

- Stamp duty exemption on Instrument of Transfer and loan agreement for the purchase of residential homes priced between RM300,000 – RM2.5million (subject to at least 10% discount provided by the developer)
- Exemption on the Instrument of Transfer is limited to the first RM1.0million of the property price while full stamp duty exemption is given on loan agreements effective for SPA signed between 1 June – 31 May 2021

■ ELIGIBILITY

- Registered properties – those listed by developers within the scheme
- Residential purposes – to only reside
- Malaysian citizens – 100% (even co-purchasers)
- 1 June 2020 to 31 May 2021 – to be eligible for exemptions and discount, the SPA must be stamped between 1 June 2020 and 31 May 2021

■ FAQ

- **Does HOC 2020 apply to secondary markets?**
NO – only new properties registered under the campaign from specific developers
- **Do I have to pay a fee to participate?**
NO – it is free. The Developers must pay a registration fee, not the home owners

- **Can I buy multiple properties under the campaign?**
YES. No limit and get stamp duty exemptions on all of them under the HOC 2020 (Listing will be posted on REDHA's website once the Government has gazetted the same)
- **Do all properties receive 10% discount?**
Minimum 10% applied on all properties within the scheme, with the exception of those subject to govt price controls
- **What was the exemption amount on the Instrument of Loan?**
0.5% of loan amount (stamping fee)



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