

MM2H 3.0 – HERE TO STAY!

26 June 2024



Following heavy criticism of the much stricter requirements introduced to the Malaysia My Second Home (“MM2H”) programme in 2021¹, the Ministry of Tourism, Arts and Culture (“MOTAC”) had, in December 2023, unveiled its plans for a further revamped version of the MM2H programme. In a Facebook post on 15 June 2024, MOTAC Minister, Datuk Seri Tiong King Sing, announced the new conditions for participation in the MM2H programme². This further revamped version of the programme introduces a three-tiered system, namely the Silver, Gold and Platinum tiers, where MM2H Programme participants will be classified into different groups based on their eligibility.

The key changes to this third version of the MM2H programme include the following:

1. Introduction of a three-tiered system with specific fixed deposit requirements – Platinum tier (USD1,000,000), Gold tier (USD500,000), and Silver tier (USD150,000). Previously, all participants were required to have a minimum fixed deposit of RM1,000,000.
2. The duration of the MM2H pass is maintained at five years for the Silver tier and increased to 15 years for the Gold tier, and 20 years for the Platinum tier.
3. The requirement for offshore income is removed. Previously, there was a requirement of at least RM40,000 offshore income per month.
4. Expanding the list of eligible dependents to now include unmarried children between 21 and 34 years of age, parents, and parents-in-law.
5. The requirement for a minimum liquid assets of RM1.5 million under the previous version of the programme has been removed.

¹Our article summarising the main terms of the revamped MM2H programme launched in August 2021 can be accessed [here](#).

²[Dato' Seri Tiong King Sing's Facebook page, Facebook post on 15 June 2024.](#)

A summary of the current three-tier system is as follows³:

MM2H Category & Requirements	Silver	Gold	Platinum
Pass Validity * The passes are renewable every five years after the expiry of original duration	5 years	15 years	20 years
Fixed Deposit *Maximum withdrawal of 50% of principal sum for property purchase, education, healthcare and/or tourism activities within Malaysia	USD150,000	USD500,000	USD1,000,000
Participation Fee (One-Off) *No fee for dependants	RM1,000 for principal	RM3,000 for principal	RM200,000 for principal
Renewal Fee	RM1,500 for principal and dependants	RM3,000 for principal and dependants	RM5,000 for principal and dependants
Purchase of Residential Property *Purchase of property is mandatory. Not allowed to sell the said property for 10 years unless to upgrade to a more expensive property	Property value must be at least RM600,000	Property value must be at least RM1,000,000	Property value must be at least RM2,000,000
Education and Healthcare Benefits	Yes	Yes	Yes
Tax Exemption on Funds Brought In	Yes	Yes	Yes
Business / Work Allowed	Not allowed to work / invest in business. To apply for relevant passes	Not allowed to work / invest in business. To apply for relevant passes	Allowed to work and invest in businesses
Foreign Domestic Helper	Not allowed	Not allowed	Allowed
Health Examination * Applicable to principal and dependants	Yes	Yes	Yes
Transfer of MM2H pass upon demise of principal * Transfer is to next of kin	Yes	Yes	Yes
Eligibility for permanent resident status⁴	No	No	No
Minimum age	Principal must be at least 25 years old		
Dependants	<ul style="list-style-type: none"> ▪ Spouse ▪ Children (biological, step and adopted children) below 21 years of age; ▪ Children with disabilities (no age limit) ▪ Children aged between 21 to 34 who are not working or married in Malaysia ▪ Parents and/or parents-in-law 		
Minimum Stay * To be fulfilled by principal or dependants	At least 90 days cumulatively in a year		

³MM2H Participant Eligibility Requirements, MOTAC's Official Portal, 14 June 2024.

⁴'Dato' Seri Tiong King Sing's Facebook page, Facebook post on 15 June 2024.



Comments

Overall, the revamped MM2H programme has been well received by MM2H agents in Malaysia.⁵ Three drawbacks appear to be as follows – First, the mandatory requirement to purchase a residential property in Malaysia could be a disincentive and does not take into consideration that renting of homes is a common practice in certain societies.

Second, it is debatable whether the substantial difference between the Participation Fee of RM200,000 for the Platinum tier and RM3,000 and RM1,000 for the Gold tier and Silver tier respectively is justifiable, notwithstanding that a Platinum tier participant is allowed to work and invest in businesses. Third, the 10-year holding period for property purchased is incongruous with the initial five-year duration of the MM2H pass for the Silver tier.

The MOTAC Minister has assured that the new three-tier category for the MM2H programme, which is aimed at attracting “prospective participants from the target groups especially high net-worth individuals and digital nomads”⁶ is here to stay, and “will not see changes in the coming years, regardless of the government or ministers”.⁷

With the launch of the more attractive new MM2H programme, it is now time for Malaysia to intensify efforts to regain the momentum that has been lost for almost three years in attracting participants under the programme.

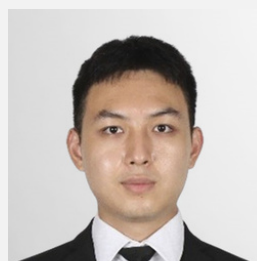
It is to be noted that this MM2H programme is solely applicable to West Malaysia; Sabah and Sarawak have their own separate MM2H programmes.

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⁵[Agents give MM2H guidelines thumbs up](#), *The Star*, 20 June 2024.

⁶[New MM2H participants not eligible for PR status](#), *The Star Online*, 16 June 2024.

⁷[New three-tier category for MM2H here to stay](#), *The Star Online*, 19 June 2024.



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