

A BILL

i n t i t u l e d

An Act to amend the Perbadanan Kemajuan Filem Nasional Malaysia Act 1981.

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ENACTED by the Parliament of Malaysia as follows:

Short title and commencement

1. (1) This Act may be cited as the Perbadanan Kemajuan Filem Nasional Malaysia (Amendment) Act 2025.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette*.

Amendment of section 2

2. The Perbadanan Kemajuan Filem Nasional Malaysia Act 1981 [Act 244], which is referred to as the “principal Act” in this Act, is amended in section 2—

(a) in the definition of “member”, by deleting the words “, Deputy Chairman”;

(b) in the definition of “films”, by deleting the words “, short subject films”;

- (c) by deleting the definition of “short subject film”; and
- (d) in the definition of “Chairman”, by deleting the words “the Deputy Chairman and”.

Amendment of section 4

3. Subsection 4(1) of the principal Act is amended—

- (a) by deleting the words “, a Deputy Chairman”;
- (b) in paragraph (a)—
 - (i) by deleting the words “and a Deputy Chairman”; and
 - (ii) by substituting for the words “their knowledge and extensive experience” the words “his knowledge and extensive experience”;
- (c) in paragraph (b), by substituting for the word “four” the word “five”; and
- (d) by deleting paragraph (e).

Amendment of section 6

4. Subsection 6(2) of the principal Act is amended—

- (a) in paragraph (b), by inserting after the words “to provide” the words “training and”; and
- (b) by substituting for paragraph (k) the following paragraph:
 - “(k) to do such other things arising out of or connected with any of the functions of the Perbadanan under this Act or as may be directed by the Minister, consistent with the purposes of this Act.”.

Amendment of section 7

5. Section 7 of the principal Act is amended by inserting after subsection (2) the following subsections:

“(3) The Chairman or any person or body delegated with such functions and powers under subsections (1) and (2) shall be bound to observe and have regard to all conditions and restrictions imposed by the Perbadanan and all requirements, procedures and matters specified by the Perbadanan.

(4) Any functions and powers delegated under this section shall be performed and exercised in the name and on behalf of the Perbadanan.

(5) The delegation under this section shall not preclude the Perbadanan itself from performing or exercising at any time any of the delegated functions and powers.”.

Amendment of section 8

6. Subsection 8(2) of the principal Act is amended in the national language text by substituting for the word “Lembaga” the word “Perbadanan”.

Amendment of section 13

7. Subsection 13(3) of the principal Act is amended by substituting for the words “not more than five other members” the words “not less than two but not more than six other members”.

Amendment of section 15

8. Section 15 of the principal Act is amended—

(a) in subsection (1), by substituting for the words “by himself, his partner or agent” the words “by himself or through a member of his family or his associate”;

(b) by inserting after subsection (6) the following subsection:

“(6A) For the purposes of subsection (1)—

“a member of his family”, in relation to a member of the Perbadanan or of a committee of the Perbadanan, includes—

- (a) his spouse;
- (b) his parent, including a parent of his spouse;
- (c) his child, including an adopted child or stepchild;
- (d) his brother or sister, including a brother or sister of his spouse; and
- (e) a spouse of his child, brother or sister; and

“associate”, in relation to a member of the Perbadanan or of a committee of the Perbadanan, means—

- (a) a person who is a nominee or an employee of the member;
- (b) a firm of which the member or any nominee of his is a partner;
- (c) a partner of the member;
- (d) a trustee of a trust under which the member or a member of his family is a beneficiary; or
- (e) any corporation within the meaning of the Companies Act 2016 [Act 777] of which the member or any nominee of his or a member of the member’s family is a director or has a substantial shareholding in the corporation.”; and

(c) in subsection (7)—

- (i) by substituting for the words “five years” the words “ten years”; and
- (ii) by substituting for the words “twenty-five thousand” the words “two hundred and fifty thousand”.

New section 20A

9. The principal Act is amended by inserting after section 20 the following section:

“Power to establish companies

20A. The Perbadanan may, with the approval of the Minister and the Minister of Finance, establish companies under the Companies Act 2016 to carry out or be involved in any activity which has been planned or undertaken by the Perbadanan in the performance of its functions under paragraph 6(1)(f) or the exercise of its powers under paragraph 6(2)(b), (c) or (h).”.

Deletion of section 22A

10. The principal Act is amended by deleting section 22A.

Amendment of section 24B

11. Section 24B of the principal Act is amended—

- (a) by renumbering the existing section as subsection (1); and

- (b) by inserting after subsection (1) as renumbered the following subsection:

“(2) For the purposes of this Act, any person whose name appears in the credits of a film as its producer or co-producer, or who is otherwise shown in the credits to have financed or supervised the production of the film shall, unless the contrary is proved, be presumed to be engaged in the production of the film.”.

Amendment of section 25

- 12.** Subsection 25(1) of the principal Act is amended—

- (a) by substituting for the words “fifty thousand” the words “two hundred and fifty thousand”; and
- (b) by substituting for the words “two years” the words “five years”.

Amendment of section 26H

- 13.** Section 26H of the principal Act is amended—

- (a) by substituting for the shoulder note the following shoulder note:

“Prosecution”;

- (b) by renumbering the existing section as subsection (1); and
- (c) by inserting after subsection (1) as renumbered the following subsection:

“(2) No prosecution for an offence under this Act or subsidiary legislation made thereunder shall be instituted except by or with the written consent of the Public Prosecutor.”.

Amendment of section 26K

14. Section 26K of the principal Act is amended—

(a) by substituting for subsection (1) the following subsection:

“(1) The Perbadanan may, with the consent in writing of the Public Prosecutor, compound any offence committed by any person under this Act or subsidiary legislation made thereunder prescribed to be a compoundable offence by regulations made under this Act by making a written offer to the person reasonably suspected to have committed the offence to compound the offence upon payment to the Perbadanan of a sum of money not exceeding fifty per centum of the amount of maximum fine to which the person would have been liable to if he had been convicted of the offence, within such time as may be specified in the written offer.”; and

(b) by inserting after subsection (1) the following subsections:

“(1A) An offer under subsection (1) may be made at any time after the offence has been committed but before any prosecution for the offence has been instituted, and where the amount specified in the offer is not paid within the time specified in the offer, or such extended time as the Perbadanan may grant, prosecution for the offence may be instituted at any time after that against the person to whom the offer was made.

(1B) Where an offence has been compounded under this section, no prosecution shall be instituted in respect of the offence against the person to whom the offer to compound was made.

(1C) All sums of money received by the Perbadanan under this section shall be paid into and form part of the Federal Consolidated Fund.”.

Amendment of section 29

15. Section 29 of the principal Act is amended—

(a) in subsection (1), by inserting after the words “member of a committee thereof” the words “, whether during or after the tenure or employment of the member, officer or servant of the Perbadanan or member of the committee of the Perbadanan,”; and

(b) in subsection (2)—

(i) by substituting for the words “two years” the words “three years”; and

(ii) by substituting for the words “five thousand” the words “one hundred thousand”.

New sections 29A and 29B

16. The principal Act is amended by inserting after section 29 the following sections:

“False declaration

29A. Any person who makes, orally or in writing, signs or furnishes any declaration, return, certificate or other document or information required under this Act or subsidiary legislation made thereunder which is untrue, inaccurate or misleading in any particular shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding two hundred and fifty thousand ringgit or to imprisonment for a term not exceeding five years or to both.

Power to issue guidelines

29B. (1) The Perbadanan may issue any guidelines as may be expedient or necessary for the better carrying out of the provisions of this Act.

(2) The Perbadanan may revoke, vary, revise or amend the whole or any part of any guidelines issued under this section.”.

Amendment of section 34

17. Subsection 34(2) of the principal Act is amended—

- (a) in paragraph (c), by deleting the word “and” at the end of the paragraph;
- (b) in paragraph (d), by substituting for the full stop at the end of the paragraph the words “; and”; and
- (c) by inserting after paragraph (d) the following paragraph:
 - “(e) to prescribe all other matters as are necessary or expedient to be prescribed for giving effect to this Act.”.

Amendment of section 34A

18. Section 34A of the principal Act is amended by inserting after the words “this Act” the words “or subsidiary legislation made thereunder”.

Amendment of Schedule

19. The Schedule to the principal Act is amended—

- (a) by inserting after paragraph 1 the following paragraph:

“Temporary Chairman

1A. The Minister may appoint temporarily any member of the Perbadanan to act as the Chairman during any period when—

- (a) the office of Chairman is vacant;
- (b) the Chairman is absent from duty or from Malaysia; or

(c) the Chairman is, for any reason, unable to perform his duties and functions or exercise his powers under this Act.”; and

(b) in subparagraph 3(2), by substituting for the words “the Deputy Chairman” the words “, the temporary Chairman”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Perbadanan Kemajuan Filem Nasional Malaysia Act 1981 (“Act 244”).

1. *Clause 1* contains the short title and the provision on the commencement of the proposed Act.
2. *Clause 2* seeks to amend section 2 of Act 244 to amend certain existing definitions.
3. *Clause 3* seeks to amend section 4 of Act 244 to alter the membership of the Perbadanan so as to update its composition in accordance with the current needs. This includes the removal of the post Deputy Chairman from the membership of the Perbadanan.
4. *Clause 4* seeks to amend section 6 of Act 244 to expand the powers of the Perbadanan. Through this amendment, the Perbadanan is given the power to provide training relating to film industry and to do such other things arising out of or connected with any of the functions of the Perbadanan under Act 244. This includes requiring that necessary information and document be provided to the Perbadanan in the course of performing its functions.
5. *Clause 5* seeks to amend section 7 of Act 244 to provide that the Chairman or any person or body to whom the functions or powers of the Perbadanan under section 7 of Act 244 have been delegated shall observe and have regard to all conditions and restrictions imposed by the Perbadanan and all requirements, procedures and matters as specified by the Perbadanan.
6. *Clause 6* seeks to amend subsection 8(2) of Act 244 in the national language text to rectify the reference to the Perbadanan.
7. *Clause 7* seeks to amend subsection 13(3) of Act 244 to alter the composition of a committee appointed by the Perbadanan from not more than five members to not less than two but not more than six members.

8. *Clause 8* seeks to amend section 15 of Act 244 to provide for the obligation imposed on the member of the Perbadanan or member of a committee of the Perbadanan to declare to the Perbadanan the nature and extent of share or interest which he has or acquires through his family member or his associate. This *clause* also seeks to increase the penalty for the offence under section 15 of Act 244 from imprisonment of five years to ten years and from a fine of twenty-five thousand ringgit to two hundred and fifty thousand ringgit.

9. *Clause 9* seeks to introduce a new section 20A into Act 244 to provide for the power of the Perbadanan to establish companies under the Companies Act 2016 [Act 777] to carry out or be involved in activities of the Perbadanan which have been planned or undertaken by the Perbadanan in the course of performing the functions and exercising the powers of the Perbadanan under paragraphs 6(1)(f) and 6(2)(b), (c) and (h) of Act 244.

10. *Clause 10* seeks to delete section 22A of Act 244 which provides for the granting of certificate of merit for short subject film by the Perbadanan as the Perbadanan no longer intends to grant such certificate.

11. *Clause 11* seeks to introduce a new subsection 24B(2) into Act 244 to provide for a rebuttable presumption in respect of persons engaging in the production of a film.

12. *Clause 12* seeks to amend section 25 of Act 244 to increase the penalty for the offence of contravening any of the provisions under Part V of Act 244 from a fine of fifty thousand ringgit to two hundred and fifty thousand ringgit and from imprisonment of two years to five years.

13. *Clause 13* seeks to amend section 26H of Act 244 to provide that no prosecution for an offence under Act 244 or subsidiary legislation made under Act 244 shall be instituted except by or with the written consent of the Public Prosecutor.

14. *Clause 14* seeks to amend subsection 26K of Act 244 to update the provision on the compounding of offences under Act 244 or subsidiary legislation made under Act 244.

15. *Clause 15* seeks to amend section 29 of Act 244 to emphasize that any member, officer or servant of the Perbadanan, or any member of a committee which is appointed by the Perbadanan, shall maintain the secrecy of any information concerning the organization, business, finance, transaction or affairs of the Perbadanan or any of its committees whether during or after the tenure of office or employment of the member, officer or servant of the Perbadanan or member of the committee. This *clause* also seeks to increase the penalty for the offence under section 29 of Act 244 from imprisonment of two years to three years and from a fine of five thousand ringgit to one hundred thousand ringgit.

16. *Clause 16* seeks to introduce new sections 29A and 29B into Act 244.

The new section 29A makes it an offence for any person who makes, signs or furnishes untrue, inaccurate or misleading any declaration, return, certificate or any other document or information required to be given under Act 244 or subsidiary legislation made under Act 244.

The new section 29B empowers the Perbadanan to issue guidelines as may be expedient or necessary for the better carrying out of the provisions of Act 244.

17. *Clause 17* seeks to amend section 34 of Act 244 to enhance the provision on regulations making power of the Perbadanan under Act 244.

18. *Clause 18* seeks to amend section 34A of Act 244 to empower the Minister to exempt any person or class of persons from any or all of the provisions of subsidiary legislation made under Act 244.

19. *Clause 19* seeks to amend the Schedule to Act 244 to introduce a new paragraph 1A into the Schedule to provide for the appointment of temporary Chairman of the Perbadanan and to amend subparagraph 3(2) of the Schedule to Act 244 consequential to the removal of the post of Deputy Chairman from the membership of the Perbadanan.

20. Other amendments not specifically dealt with in this Explanatory Statement are minor or consequential in nature.

FINANCIAL IMPLICATIONS

This Bill will not involve the Government in any extra financial expenditure.

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