

Kuala Lumpur City Hall anticipates a deficit budget next year >4



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DESPITE a projected increase in revenue, Kuala Lumpur City Hall's (DBKL) 2025 budget is expected to run at a deficit, with higher funds drawn from its reserves.

This is mainly due to increased expenses and reduced government grants.

DBKL is projected to collect RM2.445bil in revenue next year, marking a 5.84% increase from RM2.31bil this year.

At the same time, DBKL is allocating RM2.835bil for management and development expenses, reflecting a 6.57% increase, or RM175mil, compared to this year's budget.

Federal grants have also decreased, with RM63.75mil allocated for 2025, a 20.7% drop from this year's RM77mil.

As a result, DBKL will need to draw RM325.94mil from its reserves to cover the deficit.

Kuala Lumpur mayor Datuk Seri Maimunah Mohd Sharif described DBKL's 2025 budget as a "spending budget" rather than an "aspirational budget".

"Themed 'Kuala Lumpur Lestari, Warga Kota Sejahtera', the budget places a strong emphasis on implementing planned projects and programmes.

"While we aim for a balanced budget in 2026, we can only increase revenue and reduce operation costs.

"We will prioritise tax collection, as we are currently collecting only about 83% from existing accounts, which is below my target of 85%.

"In the meantime, we will review various programmes to further reduce costs," she said during the launch of DBKL's 2025 budget at Menara DBKL 1, Kuala Lumpur.

According to the Statistics

'Spending budget for 2025'

DBKL allocates RM2.835bil for city management, development



Maimunah (left) and DBKL executive director (Project Management) Mohamad Hamim holding the DBKL 2025 budget at Menara DBKL 1, Kuala Lumpur — AZLINA ABDULLAH/The Star

Department, Kuala Lumpur spans 243.65sq km with an estimated population of 2.1 million people.

The majority of the income, RM1.53bil (62.57%), is expected to come from assessment taxes on 784,151 accounts across various property types, including office buildings, residences, hotels and business premises.

Other revenue sources include construction and planning control, licences and permits, property and housing rentals, fines and compounds as well as car park management.

The budget will be spent on about 10 core programmes (see graphic).

Separately, Maimunah also said the Kuala Lumpur Local

Plan 2040 was expected to be gazetted in early 2025, with primary focus on plan-based development.


"As such, RM269.3mil has been set aside for 2,109km of roads and maintenance of 182 slopes," she said.


Maimunah said that as Malaysia would be chair of Asean, Kuala Lumpur would leverage this strategic opportunity to strengthen its position as a leading city in South-East Asia.

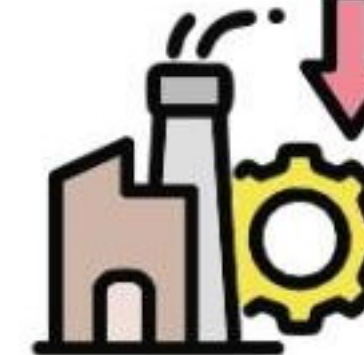
"Next year also marks a critical phase for DBKL in ensuring that the city's infrastructure, services and facilities are at their best.


"It is also done so in preparation for Visit Malaysia 2026," she said.

DBKL Budget 2025 core programmes

 **Flood mitigation**
■ **RM49.9mil**
- drainage and irrigation system, flood retention pond, flood wall and pump system maintenance
■ **RM39.2mil** - maintenance of rivers, main drains, roadside drains and pump houses

 **Traffic congestion management**
■ **RM178.7mil**
- infrastructure maintenance including traffic system, traffic lights, CCTV
■ **RM6mil** - repair works for Park and Ride facilities, construction of parking spaces in public housing and lift replacement at Jalan Tun Sambanthan pedestrian bridge


 **Low carbon**
■ **RM57.6mil**
- bicycle lane maintenance, GoKL electric bus, recycling and tree planting programmes

 **Roads and slopes**
■ **RM269.3mil**
- maintenance of 2,109km roads and 182 slopes

 **Urban sustainability**
■ **RM239.6mil**
- landscaping, playground maintenance and heritage buildings beautification

 **Traders management**
■ **RM26.9mil**
- building maintenance and upgrading,

festive bazaar management
■ **RM32mil** - building and upgrading of hawker centres and markets

 **Urban housing**
■ **RM166.5mil**
- Council Home development
■ **RM178.8mil** - repairing and maintaining public housing, CCTV rental, maintenance of garbage houses and cleaning contracts
■ **RM17mil** - upgrading and replacement of public housing lifts

 **Sports, arts and culture**
■ **RM11.3mil**
- sports and arts activities, stadium and public pool maintenance
■ **RM3.4mil** - upgrading of Kuala Lumpur Hockey Stadium, football fields and courts

 **Tourism**
■ **RM21.8mil**
- tourism promotion
■ **RM8.5mil** - Malaysia's Asean chairmanship

 **Others**
■ **RM39.7mil**
- enforcement action

■ **RM233.8mil**
- solid waste management


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