

An SME's guide to all three Budgets

In a span of about two months, Deputy Prime Minister Heng Swee Keat has unveiled three hefty Budgets – Unity, Resilience, Solidarity, each with the bulk earmarked for cushioning the impact of Covid-19 on businesses and workers. With the mind to help small and mid-sized enterprises (SMEs) make the most out of the packages, *The Business Times* compiled the key support measures targeted at them from all three Budgets. **BY LYNETTE TAN**



CASH FLOW

Property tax rebate

- Up to 100% rebate for non-residential properties
- Up to two months' rental waiver for commercial and other non-residential tenants in government properties

Corporate income tax

- Companies pay income tax for FY2019 from July 2020 instead of April 2020
- A rebate of 25% of tax payable, capped at S\$15,000, for the year of assessment 2020

Enterprise Financing Scheme

- Firms can get trade loans of up to S\$10m, working capital loan of up to S\$1m, with 90% government risk share

Temporary Bridging Loan Programme

- Firms can get loans of up to S\$5m, with 90% government risk share

Loan Insurance Scheme

- Businesses will also receive higher subsidies of 80% – up from 50% – for loan insurance premiums for one year starting from April 1, 2020



DIGITALISATION

SMEs Go Digital

- Enhanced to include more digital solutions for business continuity
- Expanded to include the 23 sectors covered by the Industry Transformation Maps, up from 10 sectors



INTERNATIONALISATION

Market Readiness Assistance

- Grant cap raised from S\$20,000 annually to S\$100,000 per new market per company, in the enhancement period of FY20-22
- Current 70% support level will be extended by three years to March 31, 2023



MANPOWER

Jobs Support Scheme

- For April, government will pay 75% on the first S\$4,600 for every local employee
- From May, wage support levels will revert to: 75% (aviation, accommodation, tourism), 50% (food services), 25% (all other firms)

Wage Credit Scheme

- Receive 20% and 15% co-funding for qualifying wage increases in 2019 and 2020, respectively, for Singaporean employees earning a gross monthly wage of up to S\$5,000.

Foreign worker levy

- Waiver of foreign worker levy due in April
- S\$750 rebate in April from levies paid this year, for each Work Permit or S Pass holder

Training support

- Receive absentee payroll support, covering 90% of hourly basic salaries (capped at S\$10 an hour) of workers who undergo certifiable skills training during working hours

- Higher course fee subsidies of 90%

- Extended to companies in land transport, arts and culture, aviation, tourism, food services and retail trade till June.

SkillsFuture Enterprise Credit

- Up to S\$10,000 credit per firm to cover up to 90% out-of-pocket expenses for workforce or enterprise transformation

SGUnited Traineeships

- Co-fund wage costs of companies offering traineeships to first-time job-seekers

Hiring incentive

- Support for employers who hire local mid-career workers aged 40 and above through eligible reskilling programmes

Senior Employment Credit

- Wage offsets for firms hiring Singaporean workers aged 55 and above



BUSINESS DEVELOPMENT

Enterprise Development Grant

- Maximum support level will be raised from 70% to 80% from April 1 to Dec 31
- For firms most severely hit by Covid-19, the maximum support level can be further raised to 90% on a case-by-case basis

Productivity Solutions Grant

- Maximum support level will be raised from 70% to 80% from April 1 to Dec 31
- Expanded scope of solutions to help firms implement business continuity measures

Enterprise Leadership for Transformation

- Training and mentorship for leaders of promising SMEs