

Countering Covid-19, future facing

In the face of near-term global uncertainties, Singapore Finance Minister Heng Swee Keat on Tuesday unveiled a Budget aimed at cushioning the impact of Covid-19, enterprise transformation, tackling climate change, an ageing population and cost of living. With that came a combined S\$6.4 billion support package to help companies, households and frontline agencies tide over the rapidly evolving Covid-19 outbreak. **BY NATALIE CHOY**



BATTLING COVID-19

S\$4b

size of Stabilisation and Support package to aid companies with cashflow needs and help workers retain jobs

25%

corporate income tax rebates (capped at S\$15,000 per company)



15 to 30%

property tax rebates for sectors directly affected by Covid-19

Up to one month

rental waiver for stallholders in NEA-managed hawker centres and markets, and commercial tenants under government agencies such as HDB

8%

of wages to be offset for every local worker in employment (monthly cap of S\$3,600 for three months)



Over 700,000

Singaporean employees to benefit from wage increases

S\$1.6b

size of Care and Support package to help Singaporeans with household expenses

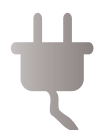


Up to S\$300

cash payout for all Singaporeans above 21 in 2020

S\$100

additional cash payout for every Singaporean with at least one child below 20 this year



Double

the regular U-Save rebates in 2020 to help HDB households with utilities expenses

S\$30m

grant to self-help groups and Community Development Councils that help needy families and children



S\$1,300 to S\$1,800

provided to each family overall



S\$800m

in additional funds set aside for frontline agencies fighting the Covid-19 outbreak; bulk of this goes to Ministry of Health



BALANCING THE BOOKS

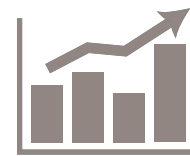
S\$1.7b

overall deficit for FY19; 0.3% of GDP

vs

S\$10.9b

overall deficit expected for FY20; 2.1% of GDP



9.3%

expected increase in net investment returns contribution (NIRC)

S\$76b

expected total revenue in FY20, a S\$1.3b increase over revised FY19 estimates



COMPANIES & WORKERS

S\$8.3b

dedicated to enterprise transformation over the next three years

S\$300m

parked under Startup SG Equity to catalyse investment into deep-tech startups



S\$500

SkillsFuture Credit top-up for Singaporeans above 25 in 2020

Additional S\$500 SkillsFuture Credit top-up for Singaporeans between 40 and 60 in 2002

S\$10,000

new SkillsFuture Enterprise Credit targeted at SMEs; employers can use this to defray 90% of out-of-pocket costs



20%

salary support to employers who hire local job seekers above 40 and via a reskilling programme (capped at S\$6,000 for six months)



FAMILIES & INDIVIDUALS

S\$52m

Total value of enhanced Financial Assistance Scheme for students from lower-income families

Up to \$3,000

in matched Central Provident Fund (CPF) savings for eligible Singaporeans from 2021 to 2025



Up to 80%

healthcare subsidies at public healthcare institutions and aged care services for seniors

20%

increase in quarterly cash payouts for seniors under Silver Support Scheme



TAX TIMES

No change



to current goods and services tax (GST) of 7% in 2021

S\$6b

GST Assurance Package to cushion the impact of the eventual hike; to be in effect sometime from 2022 to 2025



S\$700 to S\$1,600

cash payout over five years for adult Singaporeans



IN THE FACE OF CLIMATE CHANGE

S\$5b

for Coastal and Flood Protection Fund to guard against rising sea levels



Up to 45%

rebate on additional registration fee (capped at S\$20,000) for those who buy fully electric cars

