

FACTSHEET : GST OFFSET PACKAGE

The GST Offset Package is a set of comprehensive measures to help Singaporeans with the increase in GST. The GST Offset Package will cost \$4 billion over five years and has the following schemes to help all Singaporeans.

1. GST Credits

All adult Singaporeans will get GST Credits of up to \$1,000 to help them with the impact of the GST increase. Those who earn less and live in smaller homes will get more GST Credits. Nearly three-quarters of adult Singaporeans will get \$800 each. NSFs and NSmen will also get a one-off \$100 of GST Credits to recognise their contributions to national security.

		Annual Value of Home		
		\$5,000 or less	More than \$5,000 and up to \$10,000	More than \$10,000
Annual Assessable Income	\$24,000 or less	\$1,000 (\$250 per year for 4 years)	\$800 (\$200 per year for 4 years)	\$400 (\$100 per year for 4 years)
	More than \$24,000 and up to \$100,000			
	More than \$100,000	\$100 (for 1 year)		

* The amount you can receive each year will be based on your (AV) and (AI) as assessed at 31 December of the preceding year.

2. Senior Citizens' Bonus

To help the lower-income elderly who have to meet living expenses out of their savings, a Senior Citizens' Bonus of \$200 to \$1,000 will be given out to all Singaporeans aged 55 and above, and who have an annual income of \$100,000 or less. Two-thirds of the Senior Citizens' Bonus will be given in cash and one-third credited to their Medisave Accounts.

		Annual Value of Home		
		\$5,000 or less	More than \$5,000 and up to \$10,000	More than \$10,000
Annual Assessable Income	\$24,000 or less	Aged 55 – 59: \$600 (\$150 per year for 4 years) Aged 60 & above: \$1000 (\$250 per year for 4 years)	Aged 55 – 59: \$400 (\$100 per year for 4 years) Aged 60 & above: \$800 (\$200 per year for 4 years)	Aged 55 – 59: \$200 (\$50 per year for 4 years) Aged 60 & above: \$400 (\$100 per year for 4 years)
	More than \$24,000 and up to \$100,000			

* The amount you can receive each year will be based on your (AV) and (AI) as assessed at 31 December of the preceding year.

3. Top-ups to Post-Secondary Education Accounts

Every Singapore citizen child aged 7 to 20 will receive a top-up of \$100 to \$400 to his Post-Secondary Education Account (PSEA) in 2008, and again in 2009. Those who are older and from less well-off families will get a higher top-up to their PSEA. PSEAs will be automatically created for eligible children. Unused funds in the PSEA will be transferred to the account holder's CPF Ordinary Account (CPF-OA) when he turns 30.

Age of Child in Year of Payout	Annual Value of Home \$10,000 or less	Annual Value of Home more than \$10,000
7 to 12	\$200	\$100
13 to 20	\$400	\$200

The PSEA funds can be used by the account holder to pay for his own or his siblings' tuition fees at the following institutions:

- √ 3 Autonomous Universities (i.e. NUS, NTU, SMU)
- √ 5 Polytechnics (i.e. SP, NP, TP, NYP, RP) including degree programmes offered under the Polytechnic-Foreign Specialised Institution framework
- √ Institute of Technical Education
- √ LaSalle College of the Arts (MOE-funded diploma programmes)
- √ Nanyang Academy of Fine Arts (MOE-funded diploma programmes)
- √ SIM University (UniSIM)
- √ Singapore Workforce Development Agency (WDA)-accredited lead training providers.

4. Utilities-Save, Service and Conservancy Charges and Rental Rebates

HDB households will get Utilities-Save (U-Save), Service & Conservancy Charges (S&CC) and rental rebates over 5 years to help them cope with higher costs of living. Those living in smaller HDB flats will get more rebates.

U-Save Rebates

FY	1-room	2-room	3-room	4-room	5-room	Exec
2007	\$220	\$220	\$220	\$210	\$140	\$100
2008*	\$220 (+\$110*)	\$220 (+\$110*)	\$200 (+\$100*)	\$190 (+\$95*)	\$120 (+\$60*)	\$80 (+\$40*)
2009	\$200	\$200	\$180	\$170	\$100	\$60
2010	\$200	\$200	\$140	\$130	\$80	\$50
2011	\$180	\$180	\$100	\$90	\$60	\$40
Total rebates	\$1,020 (+\$110*)	\$1,020 (+\$110*)	\$840 (+\$100*)	\$790 (+\$95*)	\$500 (+\$60*)	\$330 (+\$40*)

[***Afternote:** As announced by the Prime Minister on 17 August 2008, households will receive a 50% increase in the total amount of U-Save rebates to be given out in Fiscal Year (FY) 2008. Figures in brackets show the additional U-Save rebates announced at National Day Rally 2008.]

Number of months of S&CC Rebates

FY	1-room	2-room	3-room	4-room	5-room	Exec
2007	4	3	2	2	1	0.5
2008	4	3	2	2	1	0.5
2009	3	2	2	1	1	0.5

2010	2	2	1	1	1	0.5
2011	2	2	1	1	1	0.5
Total no. of months	15	12	8	7	5	2.5

Number of months of Rental Rebates

FY	1-room	2-room
2007	4	2
2008	3	2
2009	3	2
2010	3	1
2011	2	1
Total no. of months	15	8

5. Property Tax Rebate

An annual property tax rebate of up to \$100 will be given in 2008, and again in 2009, to all owner-occupied residential properties, to further help households with their living expenses.

6. Assistance for Low-Income Families with Young Children

To help lower-income families with young children, the Government will increase financial assistance for kindergarten and child care. The level of subsidy for the Kindergarten Financial Assistance Scheme (KiFAS) will be increased from 75% of kindergarten fees to 90% so low-income families will enjoy a subsidy of about \$80 a month. Subsidies for the Centre-Based Financial Assistance Scheme for ChildCare (CFAC) will be increased by between \$20 and \$40 a month for each child.

7. Assistance for Pensioners

The Government will increase the Singapore Allowance by \$20 per month and raise the gross pension ceiling from the current \$1,100 to \$1,150 per month.

8. Public Transport Fund

The Government will commit \$10 million to a Public Transport Fund (PTF), to be set up in October 2007, to be given out over three years to help lower-income households cope with their public transport costs where necessary.

9. Assistance through Citizens' Consultative Committees (CCCs), Self-Help Groups and VWOs

The CCC ComCare Fund will receive a top-up of \$5 million over five years to provide flexible assistance to low-income families who may face financial difficulties following the GST increase. In addition, the Government will provide \$3 million over five years for Government-funded VWO programmes and \$2 million over five years to the Self-Help Groups to support their efforts to help lower-income Singaporean families.

10. Additional Subsidies for Healthcare, Education and Service and Conservancy Charges

The Government will continue to absorb the GST on subsidised education at \$40 million a year, healthcare services at \$12 million a year and will provide additional grants of \$10 million a year for Town Councils to absorb GST payable on S&CC.

11. How can I Sign Up for my GST Credits?

You will get a letter from CPF Board in **mid May 2007** to invite you to sign up for your GST Credits. You only need to sign up once to receive your GST Credits for that year and subsequent years that you qualify. If you are eligible for the Senior Citizens' Bonus, it will be paid together with your GST Credits. To receive your GST Credits, you can sign up in one of the following ways **from 15 May 2007**:

Sign-up Mode	To receive your GST Credits on 1 July 2007, please sign up by:	To receive your GST Credits for 2007, the last day to sign up is:
ATMs (DBS/POSB/OCBC/UOB)	25 June 2007	15 July 2007
Website: www.gstoffset.gov.sg	25 June 2007	31 December 2007
Hard copy forms (available at SingPost Offices, CPF Board Service Centres, Community Centres/Clubs and Community Development Councils)	15 June 2007	31 December 2007

If you have further questions on the GST Offset Package, please visit www.gstoffset.gov.sg or call the CPF Board at 1800-2222-888.

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