

FISCAL OUTLOOK FOR FINANCIAL YEAR 2010

Budget for FY2010

The FY2010 Budget is summarised in [Table 1.1](#).

Operating Revenue

Operating Revenue for FY2010 is projected at \$40.7 billion. This would be an increase of \$2.2 billion (or 5.6%) over the revised FY2009 estimates. FY2010 Operating Revenue is expected to be 14.7% of GDP. This would be a decrease from 15.0% of GDP in FY2009.

Tax Revenues

Corporate Income Tax collections are expected to decline by \$1.6 billion (or 17.8%) from the revised FY2009 estimates to \$7.6 billion in FY2010. Personal Income Tax collections are expected to increase by \$0.8 billion (or 12.3%) from the revised FY2009 estimate to \$7.0 billion in FY2010.

Assets Taxes collections are projected to increase to \$2.7 billion in FY2010. This is an increase of \$0.7 billion (or 37.4%) from the revised FY2009 estimate.

Goods and Services Tax (GST) collections are projected to increase to \$7.0 billion in FY2010, an increase of 4.7% from FY2009. Motor Vehicle Related Taxes are estimated to fall by \$0.3 billion (or 16.5%) from the revised FY2009 estimate to \$1.5 billion in FY2010. Stamp Duty collections are projected to increase by \$0.4 billion (or 16.7%) from the revised FY2009 estimate to \$2.7 billion in FY2010.

Total Expenditure

FY2010 Total Expenditure is estimated to be \$46.4 billion (or 16.7% of GDP). This is an increase of \$3.5 billion (or 8.1%) from the revised FY2009 estimate of \$42.9 billion. Operating Expenditure is projected to rise by \$2.2 billion (or 6.8%) from the revised FY2009 estimate to \$33.9 billion in FY2010. Development Expenditure is expected to increase significantly by \$1.3 billion (or 12.0%) from the revised FY2009 estimate to \$12.5 billion in FY2010.

Special Transfers

Budget 2010 will provide \$5.2 billion worth of special transfers in FY2010.

Budget Position

Before taking into account Top-Ups to Endowment Funds and Trust Funds, and before NIRC, a basic deficit of \$7.2 billion (or 2.6% of GDP) is expected for FY2010. After factoring in the Top-Ups to Endowment Funds and Trust Funds, and NIRC of \$7.8 billion, the estimated outturn for FY2010 is an overall budget deficit of \$3.0 billion (1.1% of GDP).

Table 1.1: BUDGET FOR FY2010

	Revised FY2009	Estimated FY2010 [@]	Change over Revised FY2009	
	\$ billion	\$ billion	\$ billion	%
OPERATING REVENUE	38.57	40.73	2.16	5.6
Corporate Income Tax	9.26	7.61	(1.65)	(17.8)
Personal Income Tax	6.20	6.96	0.76	12.3
Withholding Tax	1.16	1.25	0.09	7.5
Statutory Boards' Contributions	0.41	1.19	0.78	191.0
Assets Taxes	1.98	2.72	0.74	37.4
Customs and Excise Tax	2.10	2.24	0.15	6.9
Goods and Services Tax	6.66	6.98	0.32	4.7
Motor Vehicle Related Taxes	1.80	1.50	(0.30)	(16.5)
Vehicle Quota Premiums	0.61	0.90	0.29	47.2
Betting Taxes	1.74	2.08	0.34	19.4
Stamp Duty	2.29	2.68	0.38	16.7
Other Taxes	2.12	2.37	0.25	11.8
Other Fees and Charges	2.09	2.15	0.05	2.6
Others	0.15	0.11	(0.04)	(25.7)
Less:				
TOTAL EXPENDITURE	42.88	46.37	3.49	8.1
Operating Expenditure	31.75	33.90	2.15	6.8
Development Expenditure	11.14	12.47	1.34	12.0
PRIMARY SURPLUS / (DEFICIT)[†]	(4.31)	(5.64)		
Less:				
SPECIAL TRANSFERS[‡]	5.60	5.15	(0.45)	(8.0)
Special Transfers Excluding Top-Ups to Endowment and Trust Funds	4.19	1.56		
Jobs Credit Scheme	3.19	0.25		
Special Risk-Sharing Initiative (SRI)	0.01	-		
Growth Dividends	0.01	-		
GST Credits	0.46	0.47		
Senior Citizens' Bonus	0.12	0.13		
Workfare Income Supplement Scheme Special Payment	0.12	0.02		
U-Save Scheme	0.12	0.10		
Service & Conservancy Charges and Rental Rebates	0.07	0.04		
Top-Up to CPF Medisave Accounts	-	0.31		
Top-Up to Post-Secondary Education Accounts	0.00	0.23		
Other measures for Elderly and Lower Income [#]	0.02	0.02		
Assistance to Small and Medium Enterprises (SMEs)	0.02	-		
R&D Incentive for Start-up Enterprises	0.05	0.01		
BASIC SURPLUS / (DEFICIT)[^]	(8.50)	(7.20)		
Top-Ups to Endowment and Trust Funds	1.41	3.59		
Top-Up to Endowment Funds	0.30	0.40		
National Research Fund	0.40	1.50		
National Productivity Fund	-	1.00		
CPF Deferment and Voluntary Deferment Bonus	0.45	0.44		
LIFELong Income (LIFE) Bonus	0.26	0.25		
Add:				
NET INVESTMENT RETURNS CONTRIBUTION	7.03	7.83	0.80	11.4
OVERALL BUDGET SURPLUS / (DEFICIT)	(2.88)	(2.96)		

Note: Due to rounding, figures may not add up.

[@] Incorporates measures announced in FY2009 Budget Statement.

^{*} Surplus / (Deficit) before Special Transfers and Net Investment Returns Contribution.

[†] Special Transfers include Top-Ups to Endowment Funds and Trust Funds.

[#] Consist of Senior Pensioners Grant Scheme, public transport vouchers and assistance through Citizens' Consultative Committees, self-help groups and voluntary welfare organisations.

[^] Surplus / (Deficit) before Top-Ups to Endowment and Trust Funds and Net Investment Returns Contribution.