REVIEW OF FINANCIAL YEAR 2017

The Revised FY2017 fiscal position is summarised in Table 2.1.

Operating Revenue

Operating Revenue is estimated to increase by $5.70 billion or 8.2% from the budgeted estimate, to $75.15 billion. This increase is mainly due to exceptional Statutory Boards' Contributions and higher-than-expected collections from Stamp Duty and Corporate Income Tax.

Corporate Income Tax collections are projected to be $14.36 billion, an increase of $0.72 billion or 5.3% from the budgeted estimate. Personal Income Tax collections are estimated to be $10.70 billion, close to the budgeted estimate.

Statutory Boards' Contributions are projected to be $4.87 billion, an increase of $4.61 billion or 1,823.2% from the budgeted estimate, mainly due to exceptional contributions from MAS. This is also an increase of 527.5% from the Actual FY2016 contributions.

Assets Taxes are projected to be $4.39 billion, close to the budgeted estimate. Stamp Duty collections are estimated to be $4.73 billion, $2.00 billion or 73.3% higher than the budgeted estimate.

Goods and Services Tax collections are projected to be $10.77 billion, a decrease of $0.48 billion or 4.3% from the budgeted estimate.

Motor Vehicle Taxes are projected to be $2.34 billion, a decrease of $0.39 billion or 14.4% from the budgeted estimate. Vehicle Quota Premiums are estimated to decrease by $0.54 billion or 8.2% from the budgeted estimate, to $5.98 billion.

Other Taxes, which include the Foreign Worker Levy, Water Conservation Tax, Development Charge and Annual Tonnage Tax, are estimated to decrease by $0.35 billion or 5.5% from the budgeted estimate, to $6.13 billion.

Total Expenditure

Total Expenditure is projected to decrease by $1.15 billion or 1.5% from the budgeted estimate, to $73.92 billion. This decrease is mainly attributed to lower-than-expected development expenditure.

Special Transfers

Special Transfers including Top-ups to Endowment Funds and Trust Funds are estimated to total $6.23 billion.

Net Investment Returns Contribution (NIRC)

NIRC is estimated to increase by $0.50 billion or 3.5% from the budgeted estimate, to $14.61 billion.

Budget for FY2017

Before taking into account Top-ups to Endowment Funds and Trust Funds and before NIRC, the basic deficit is projected to be $0.99 billion, which is smaller than the budgeted deficit of $8.19 billion. After factoring in Top-ups to Endowment Funds and Trust Funds of $4.01 billion, and NIRC of $14.61 billion, the Revised FY2017 outturn is estimated to be an overall budget surplus of $9.61 billion.

TABLE 2.1: FISCAL POSITION IN FY2016 AND FY2017

	Actual FY2016	Estimated FY2017	Revised FY2017	Revised FY2017 Compared to Actual FY2016	Revised FY2017 Compared to Estimated FY2017
	$billion	$billion	$billion	% change	% change
OPERATING REVENUE	68.96	69.45	75.15	9.0	8.2
Corporate Income Tax	13.60	13.63	14.36	5.6	5.3
Personal Income Tax	10.53	10.74	10.70	1.7	(0.4)
Withholding Tax	1.47	1.30	1.34	(9.2)	3.2
Statutory Boards' Contributions	0.78	0.25	4.87	527.5	1,823.2
Assets Taxes	4.36	4.41	4.39	0.7	(0.4)
Customs and Excise Taxes	2.73	3.13	3.20	17.3	2.2
Goods and Services Tax	11.08	11.25	10.77	(2.8)	(4.3)
Motor Vehicle Taxes	2.15	2.73	2.34	8.8	(14.4)
Vehicle Quota Premiums	6.55	6.52	5.98	(8.7)	(8.2)
Betting Taxes	2.68	2.72	2.69	0.2	(1.0)
Stamp Duty	3.28	2.73	4.73	44.3	73.3
Other Taxes[1]	6.04	6.48	6.13	1.4	(5.5)
Fees and Charges (Excluding Vehicle Quota Premiums)	3.21	3.26	3.31	3.2	1.7
Others	0.51	0.30	0.35	(30.8)	16.7
Less:					
TOTAL EXPENDITURE	71.04	75.07	73.92	4.0	(1.5)
Operating Expenditure	52.13	56.30	56.10	7.6	(0.4)
Development Expenditure	18.92	18.77	17.82	(5.8)	(5.1)
PRIMARY SURPLUS / DEFICIT[2]	(2.08)	(5.62)	1.24		
Less:					
SPECIAL TRANSFERS[3]	6.37	6.58	6.23	(2.2)	(5.3)
Special Transfers Excluding Top-ups to Endowment and Trust Funds	2.77	2.57	2.22		
CPF Medisave Top-ups	0.09	0.10	0.10		
GST Voucher Special Payment[4]	0.26	0.28	0.28		
Productivity and Innovation Credit	0.85	0.76	0.48		
Service & Conservancy Charges Rebates	0.08	0.12	0.12		
Temporary Employment Credit	0.76	0.39	0.41		
Wage Credit Scheme	0.70	0.91	0.83		
Other Transfers[5]	0.02	0.02	0.01		
BASIC SURPLUS / DEFICIT[6]	(4.85)	(8.19)	(0.99)		
Top-ups to Endowment and Trust Funds	3.60	4.01	4.01		
Changi Airport Development Fund	1.00	-	-		
Cultural Matching Fund	-	0.15	0.15		
GST Voucher Fund	-	1.50	1.50		
National Productivity Fund	-	1.00	1.00		
National Research Fund	1.50	0.50	0.50		
Special Employment Credit Fund	1.10	0.16	0.16		
Top-up to Endowment Funds[7]	-	0.70	0.70		
Add:					
NET INVESTMENT RETURNS CONTRIBUTION	14.58	14.11	14.61	0.2	3.5
OVERALL BUDGET SURPLUS / DEFICIT	6.12	1.91	9.61		

Note: Due to rounding, figures may not add up. Negative figures are shown in parentheses.

1 Other Taxes include the Foreign Worker Levy, Water Conservation Tax, Development Charge and Annual Tonnage Tax.

2 Surplus / Deficit before Special Transfers (including Top-ups to Endowment and Trust Funds) and Net Investment Returns Contribution.

3 Special Transfers including Top-ups to Endowment and Trust Funds.

4 The GST Voucher Special Payment committed in Budget 2016 and Budget 2017 comprises the GST Voucher – Cash Special Payment.

5 Consists of Productivity and Innovation Credit Bonus, SME Cash Grant, Top-ups to Child Development Accounts, and funding for Self-Help Groups in FY2016. Consists of Productivity and Innovation Credit Bonus, Rebate for School Buses, SME Cash Grant, and funding for Self-Help Groups in FY2017.

6 Surplus / Deficit before Top-ups to Endowment and Trust Funds, and Net Investment Returns Contribution.

7 Consists of the Community Care Endowment Fund and Medical Endowment Fund.