

## Annex B: Examples of How Households Can Benefit from the Yearly GST Voucher

### **(A) Retiree Couple**

Husband and wife are 69 and 65 years old respectively. Both are retirees and live in a 3-room HDB flat.

<b>GST Voucher Benefits</b>		
<b>GST Voucher – Cash</b>	<b>\$500</b>	
<b>GST Voucher – Medisave</b>	<b>\$500</b>	
<b>GST Voucher – U-Save<sup>#</sup></b>	<b>\$240</b>	
<b>Total GST Voucher</b>	<b>\$1,120</b>	<b>(148% of household's GST expenditure)</b>

The total GST Voucher of \$1,240 a year more than offsets the estimated \$840 in GST incurred<sup>1</sup> by the retiree household in a year.

### **(B) Younger Low-income 4-person Household**

Husband is 41 years old, earning \$1,200 a month. Wife, aged 37, works part-time and earns \$400 a month. They live in a 3-room HDB flat with their two young children, one in primary school and the other in child care.

<b>GST Voucher Benefits</b>		
<b>GST Voucher – Cash</b>	<b>\$500</b>	
<b>GST Voucher – Medisave</b>	<b>\$0</b>	
<b>GST Voucher – U-Save<sup>#</sup></b>	<b>\$240</b>	
<b>Total GST Voucher</b>	<b>\$740</b>	<b>(57% of household's GST expenditure)</b>

The total GST Voucher of \$740 a year offsets about half of the estimated \$1,300 in GST incurred<sup>2</sup> by the family in a year.

### **(C) Lower-middle income 4-person Household**

Husband is 56 years old, earning \$4,150 a month. Wife, aged 48, is a homemaker. They live in a 4-room HDB flat with their 21-year-old son, who is studying in a tertiary institution, and an 85-year-old retired grandmother.

<b>GST Voucher Benefits</b>		
<b>GST Voucher – Cash</b>	<b>\$750</b>	
<b>GST Voucher – Medisave</b>	<b>\$450</b>	
<b>GST Voucher – U-Save<sup>#</sup></b>	<b>\$220</b>	
<b>Total GST Voucher</b>	<b>\$1,420</b>	<b>(59% of household's GST expenditure)</b>

The total GST Voucher of \$1,420 a year offsets more than half of the estimated \$2,410 in GST incurred<sup>3</sup> by the family in a year.

<sup>#</sup> Refers to the GST Voucher – U-Save paid to eligible households in Jan and Jul each year, starting Jul 2012.

<sup>1</sup> MOF estimates.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.