ASK MOF: SINGAPORE'S FISCAL APPROACH

WHY DON'T WE TAX THE WEALTHY MORE?

Singapore has a progressive tax system, which means that higher **income earners already pay more taxes at higher tax rates.**

Those with higher income spend more. They therefore pay more GST and contribute more to GST revenue.

In addition, those with higher income are taxed more.

We have made moves over the past few years to tax income and wealth more, and will continue to review this.

The wealthy have higher income and/or higher-value property.



For income, we increased PIT rates for top income brackets in Budget 2022, from 22% to 24%.



For property, we increased:

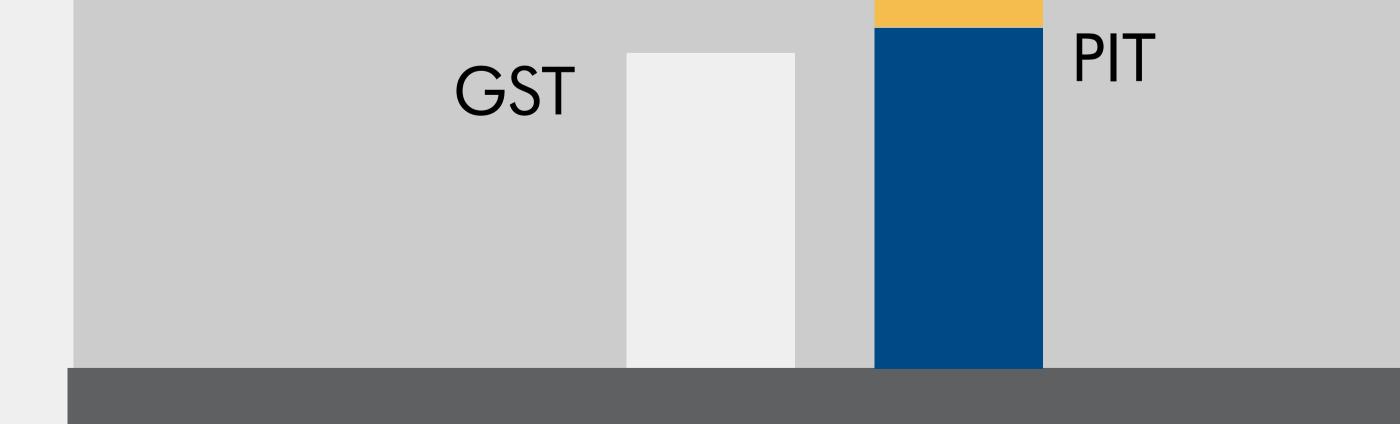
Property tax rates for residential properties, especially those that are vacant or rented out, in Budget 2022.

Marginal Buyer's Stamp Duty (BSD) for higher-value residential and non-residential properties in Budget 2023.

Revenue Contribution

Property-related taxes

These two measures impact the wealthy and higher income earners more.



Together, PIT and property-related taxes contribute more than the amount of revenue collected from GST.

We **redistribute tax revenues** through a progressive system of taxes and transfers.



Version 1.6 (Accurate as of Nov 2019)