

WHY DON'T WE TAKE MORE FROM OUR RESERVES INSTEAD OF RAISING THE GST?

We are **already benefitting from our reserves**, so much so that it is now the **single largest source of revenue** in our Budget.

The returns from investing our reserves, known as the **Net Investment Returns Contribution (NIRC)**, is our **single largest source of revenue**, larger than any single tax (e.g. corporate income tax, personal income tax, and GST).

A Reserves are our **national savings**, which help to secure our financial future.

B We are able to benefit from the NIRC because the previous generations **saved and grew** the reserves for us.



Likewise, we must **manage our reserves** in a **responsible and sustainable manner**, so that **our young and future generations** can also benefit.

Currently, we spend part of the expected returns earned from investing our reserves.



We keep part of it for re-investment, so that our reserves can **continue to grow**.

We use part of the expected returns earned from investing Singapore's reserves for this generation, and keep part of it for the benefit of future generations – **which is a fairer approach**.