

REVIEW OF FINANCIAL YEAR 2020

The Revised FY2020 fiscal position is summarised in Table 2.1.

Operating Revenue

Operating Revenue is estimated to be \$64.61 billion, \$11.40 billion or 15.0% lower than the budgeted estimate. This decrease is mainly contributed by lower Corporate Income Taxes, Other Taxes, Assets Taxes and Goods and Services Tax. Notably, the Revised FY2020 estimates were lower mainly due to deferments, waivers and rebates provided for Corporate Income Tax, Other Taxes and Assets Taxes to support the economy amid the impact of COVID-19.

Corporate Income Tax collections are projected to be \$13.74 billion, \$3.35 billion or 19.6% lower than the budgeted estimate. Personal Income Tax collections are projected to be \$12.77 billion, \$0.26 billion or 2.1% higher than the budgeted estimate.

Statutory Boards' Contributions are projected to be \$2.52 billion. This is \$0.07 billion or 2.7% lower than the budgeted estimate.

Assets Taxes are projected to be \$3.09 billion, \$1.55 billion or 33.4% lower than the budgeted estimate. Stamp Duty collections are projected to be \$3.66 billion, \$0.62 billion or 14.6% lower than the budgeted estimate.

Goods and Services Tax collections are projected to be \$9.90 billion, \$1.38 billion or 12.2% lower than the budgeted estimate.

Motor Vehicle Taxes are projected to be \$2.21 billion, \$0.06 billion or 2.7% lower than the budgeted estimate. Vehicle Quota Premiums are projected to be \$2.28 billion, \$0.36 billion or 13.5% lower than the budgeted estimate.

Other Taxes, which include the Foreign Worker Levy, Water Conservation Tax, Development Charge and Annual Tonnage Tax, are estimated to be \$3.78 billion, \$2.89 billion or 43.4% lower than the budgeted estimate.

Total Expenditure

Total Expenditure is projected to be \$94.06 billion, \$10.45 billion or 12.5% higher than the budgeted estimate.

Special Transfers

Special Transfers including Top-ups to Endowment and Trust Funds are estimated to total \$53.59 billion.

Net Investment Returns Contribution (NIRC)

NIRC is estimated to be \$18.14 billion, \$0.49 billion or 2.6% lower than the budgeted estimate.

Budget for FY2020

Before taking into account Top-ups to Endowment and Trust Funds and before NIRC, the basic deficit is projected to be \$65.72 billion, which is larger than the budgeted deficit of \$12.26 billion. After factoring in Top-ups to Endowment and Trust Funds of \$17.32 billion, and NIRC of \$18.14 billion, the Revised FY2020 outcome is estimated to be an overall budget deficit of \$64.90 billion.

TABLE 2.1: FISCAL POSITION IN FY2019 AND FY2020

	Actual FY2019	Estimated FY2020	Revised FY2020	Revised FY2020 Compared to	
				Actual FY2019	Estimated FY2020
				% change	% change
	\$billion	\$billion	\$billion		
OPERATING REVENUE	74.27	76.01	64.61	(13.0)	(15.0)
Corporate Income Tax	16.73	17.10	13.74	(17.9)	(19.6)
Personal Income Tax	12.37	12.51	12.77	3.3	2.1
Withholding Tax	1.64	1.70	1.54	(6.2)	(9.7)
Statutory Boards' Contributions ¹	1.80	2.59	2.52	40.1	(2.7)
Assets Taxes	4.76	4.65	3.09	(35.0)	(33.4)
Customs, Excise and Carbon Taxes	3.26	3.60	3.51	7.4	(2.5)
Goods and Services Tax	11.16	11.27	9.90	(11.3)	(12.2)
Motor Vehicle Taxes	2.42	2.27	2.21	(8.7)	(2.7)
Vehicle Quota Premiums	2.87	2.64	2.28	(20.5)	(13.5)
Betting Taxes	2.62	2.63	1.85	(29.5)	(29.9)
Stamp Duty	4.20	4.29	3.66	(12.8)	(14.6)
Other Taxes ²	6.68	6.67	3.78	(43.5)	(43.4)
Other Fees and Charges	3.41	3.62	3.32	(2.7)	(8.4)
Others	0.35	0.48	0.45	27.0	(6.8)
Less:					
TOTAL EXPENDITURE	75.34	83.61	94.06	24.8	12.5
Operating Expenditure	58.67	64.60	77.64	32.3	20.2
Development Expenditure	16.67	19.01	16.41	(1.6)	(13.7)
PRIMARY SURPLUS / DEFICIT³	(1.06)	(7.60)	(29.45)		
Less:					
SPECIAL TRANSFERS⁴	15.13	21.98	53.59	254.2	143.8
Special Transfers Excluding Top-ups to Endowment and Trust	1.56	4.66	36.27		
Jobs Support Scheme	-	1.33	26.88		
Care and Support Package - Cash Payout	-	0.83	3.43		
Workfare Special Bonus	0.07	0.14	1.62		
Wage Credit Scheme	0.58	1.60	1.44		
Cash Grant to Mitigate Rental Costs	-	-	1.03		
SEP Income Relief Scheme	-	-	0.97		
Other Transfers ⁵	0.91	0.76	0.90		
BASIC SURPLUS / DEFICIT⁶	(2.62)	(12.26)	(65.72)		
Top-ups to Endowment and Trust Funds	13.57	17.32	17.32		
GST Voucher Fund	-	6.00	6.00		
Coastal and Flood Protection Fund	-	5.00	5.00		
National Research Fund	-	2.00	2.00		
Skills Development Fund	-	2.00	2.00		
Special Employment Credit Fund	0.37	0.70	0.70		
Top-ups to Endowment Funds ⁷	-	1.45	1.45		
Other Funds ⁸	13.20	0.17	0.17		
Add:					
NET INVESTMENT RETURNS CONTRIBUTION	17.04	18.63	18.14	6.5	(2.6)
OVERALL BUDGET SURPLUS / DEFICIT	0.84	(10.95)	(64.90)		

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

¹ From FY2019 onwards, Statutory Boards' Contributions (SBC) from the Monetary Authority of Singapore (MAS) in a given financial year are calculated as the average of "Contribution to Consolidated Fund" (in lieu of corporate income tax) reported in MAS' financial statements for the preceding three years. This is to reduce the volatility in MAS' annual contributions. MAS' SBC in FY2019 should thus comprise one-third of "Contribution to Consolidated Fund" reported in MAS' financial statements for FY2016/17, FY2017/18 and FY2018/19. As MAS' "Contribution to Consolidated Fund" for FY2016/17 and FY2017/18 have been paid in full in FY2017 and FY2018 respectively, MAS' SBC in FY2019 comprises only one-third of MAS' "Contribution to Consolidated Fund" for FY2018/19. MAS' SBC in FY2020 in turn comprises one-third of MAS' "Contribution to Consolidated Fund" for FY2018/19 and FY2019/20, and MAS' SBC in FY2021 will comprise one-third of MAS' "Contribution to Consolidated Fund" for FY2018/19, FY2019/20 and FY2020/21.

² Other Taxes include the Foreign Worker Levy, Water Conservation Tax, Development Charge, and Annual Tonnage Tax.

³ Surplus / Deficit before Special Transfers (including Top-ups to Endowment and Trust Funds) and Net Investment Returns Contribution.

⁴ Special Transfers including Top-ups to Endowment and Trust Funds.

⁵ Consists of Productivity and Innovation Credit, Service and Conservancy Charges Rebates, Top-ups to Child Development Accounts, Top-up to self-help groups, CPF Medisave Top-up scheme, CPF Top-up scheme, Top-ups to Edusave Accounts and Post-Secondary Education Accounts, SME Cash Grant, GST Voucher Special Payment, Productivity and Innovation Credit Bonus, Rebate for School Buses, SG Bonus, Merdeka Generation Package, PAssion Card top-up, Grocery Vouchers, Solidarity Utilities Credit, and CPF Transition Offset.

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

⁷ Consists of ElderCare Fund, Community Care Endowment Fund, and MediFund.

⁸ Consists of Rail Infrastructure Fund, Merdeka Generation Fund, Long-Term Care Support Fund, Public Transport Fund, and Community Capability Trust.