

REVIEW OF FINANCIAL YEAR (FY) 2022

The Revised FY2022 fiscal position is summarised in Table 2.1.

Operating Revenue

Operating Revenue is estimated to be \$90.28 billion, which is \$8.52 billion or 10.4% higher than the budgeted FY2022 estimates. This increase is mainly contributed by higher collections from Corporate Income Tax, Goods and Services Tax, Personal Income Tax, and Stamp Duty.

Corporate Income Tax collections are projected to be \$22.74 billion, which is \$4.55 billion or 25.0% higher than the budgeted estimate. Personal Income Tax collections are projected to be \$15.38 billion, which is \$1.39 billion or 10.0% higher than the budgeted estimate.

Statutory Boards' Contributions are projected to be \$1.45 billion. This is \$0.58 billion or 28.7% lower than the budgeted estimate.

Assets Taxes are projected to be \$5.06 billion, which is \$0.45 billion or 9.7% higher than the budgeted estimate. Stamp Duty collections are projected to be \$5.82 billion, which is \$0.58 billion or 11.0% higher than the budgeted estimate.

Goods and Services Tax collections are projected to be \$14.46 billion, which is \$1.66 billion or 13.0% higher than the budgeted estimate.

Motor Vehicle Taxes are projected to be \$2.27 billion, which is \$0.26 billion or 10.2% lower than the budgeted estimate. Vehicle Quota Premiums are projected to be \$3.87 billion, which is \$0.06 billion or 1.6% lower than the budgeted estimate.

Other Taxes, which include the Foreign Worker Levy, Water Conservation Tax, Development Charge/Land Betterment Charge¹ and Annual Tonnage Tax, are estimated to be \$6.36 billion, which is \$0.31 billion or 5.2% higher than the budgeted estimate.

Total Expenditure

Total Expenditure is estimated to be \$106.95 billion, which is \$4.54 billion or 4.4% higher than the budgeted estimate.

Special Transfers

Special Transfers including Top-ups to Endowment and Trust Funds are estimated to total \$2.91 billion.

Net Investment Returns Contribution (NIRC)

NIRC is estimated to be \$21.61 billion, which is \$0.05 billion or 0.2% higher than the budgeted estimate.

Capitalisation of Nationally Significant Infrastructure and SINGA Interest Costs and Loan Expenses

The borrowing proceeds under the Significant Infrastructure Government Loan Act (SINGA) can only be used to finance nationally significant infrastructure. Capitalisation of Nationally Significant Infrastructure is estimated to be \$2.28 billion, which is \$0.12 billion or 4.9% lower than the budgeted estimate.

SINGA Interest Costs and Loan Expenses to facilitate borrowing under the SINGA are projected to be \$0.09 billion, which is close to the Budgeted FY2022 estimate.

¹ From 1 August 2022 onwards, the Development Charge has been replaced by the Land Betterment Charge.

Budget for FY2022

Before taking into account NIRC, Capitalisation of Nationally Significant Infrastructure and SINGA Interest Costs and Loan Expenses, the basic deficit is estimated to be \$19.58 billion, which is lower than the budgeted basic deficit of \$22.84 billion. After factoring in NIRC of \$21.61 billion, Capitalisation of Nationally Significant Infrastructure of \$2.28 billion, and SINGA Interest Costs and Loan Expenses of \$0.09 billion, the Revised FY2022 overall fiscal position is estimated to be a deficit of \$2.04 billion.

TABLE 2.1: FISCAL POSITION IN FY2021 AND FY2022

	Actual FY2021	Estimated FY2022	Revised FY2022	Revised FY2022 Compared to	
				Actual FY2021	Estimated FY2022
	\$billion	\$billion	\$billion	% change	% change
OPERATING REVENUE	82.49	81.75	90.28	9.4	10.4
Corporate Income Tax	18.20	18.19	22.74	25.0	25.0
Personal Income Tax	14.22	13.98	15.38	8.1	10.0
Withholding Tax	1.86	1.83	2.12	14.1	16.0
Statutory Boards' Contributions ¹	2.86	2.03	1.45	(49.2)	(28.7)
Assets Taxes	4.67	4.61	5.06	8.3	9.7
Customs, Excise, and Carbon Taxes	3.75	3.71	3.48	(7.1)	(6.0)
Goods and Services Tax	12.63	12.80	14.46	14.5	13.0
Motor Vehicle Taxes	2.23	2.53	2.27	1.9	(10.2)
Vehicle Quota Premiums	3.22	3.93	3.87	20.2	(1.6)
Betting Taxes	2.31	2.74	2.83	22.5	3.5
Stamp Duty	6.76	5.24	5.82	(14.0)	11.0
Other Taxes ²	5.28	6.05	6.36	20.5	5.2
Fees and Charges (Excluding Vehicle Quota Premiums)	3.61	3.55	3.88	7.5	9.4
Others	0.90	0.57	0.56	(38.0)	(1.6)
Less:					
TOTAL EXPENDITURE	94.80	102.41	106.95	12.8	4.4
Operating Expenditure	78.54	85.06	86.32	9.9	1.5
Development Expenditure	16.25	17.35	20.63	26.9	18.9
PRIMARY SURPLUS / DEFICIT³	(12.31)	(20.65)	(16.67)		
Less:					
SPECIAL TRANSFERS⁴	6.83	6.24	9.16	34.2	46.8
Special Transfers Excluding Top-ups to Endowment and Trust Funds	6.83	2.19	2.91		
COL Special Payment	-	-	1.13		
GST Voucher Special Payment	0.44	0.25	0.65		
CDC Vouchers	-	-	0.41		
Jobs Support Scheme	3.97	1.60	0.20		
Other Transfers ⁵	2.43	0.34	0.52		
BASIC SURPLUS / DEFICIT⁶	(19.14)	(22.84)	(19.58)		
Top-ups to Endowment and Trust Funds	-	4.05	6.25		
Progressive Wage Credit Scheme Fund	-	2.00	2.80		
GST Voucher Fund	-	1.00	2.40		
National Research Fund	-	0.90	0.90		
Cultural Matching Fund	-	0.15	0.15		
Add:					
NET INVESTMENT RETURNS CONTRIBUTION	20.36	21.56	21.61	6.1	0.2
OVERALL BUDGET SURPLUS / DEFICIT	1.23	(5.34)	(4.22)		
Add:					
CAPITALISATION OF NATIONALLY SIGNIFICANT INFRASTRUCTURE	0.65	2.40	2.28	248.6	(4.9)
Less:					
DEPRECIATION OF NATIONALLY SIGNIFICANT INFRASTRUCTURE	-	-	-	-	-
SINGA INTEREST COSTS AND LOAN EXPENSES⁷	0.00⁸	0.10	0.09	n.a.	(3.6)
OVERALL FISCAL POSITION	1.88	(3.04)	(2.04)		

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

¹ To reduce annual volatility, Statutory Boards' Contributions (SBC) from MAS in a given financial year are calculated as the average of "Contribution to Consolidated Fund" reported in MAS' financial statements for the preceding three years.

² Prior to 1 August 2022, Other Taxes include the Foreign Worker Levy, Water Conservation Tax, Development Charge, and Annual Tonnage Tax. From 1 August 2022 onwards, the Development Charge has been replaced by the Land Betterment Charge.

³ Surplus / Deficit before Special Transfers (including Top-ups to Endowment and Trust Funds), Net Investment Returns Contribution, Capitalisation and Depreciation of Nationally Significant Infrastructure, and SINGA Interest Costs and Loan Expenses.

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

⁵ Includes Household Utilities Credit, CPF Transition Offset, Top-ups to Edusave and Post-Secondary Education Accounts, CPF MediSave Top-ups, Top-ups to Child Development Accounts, Service and Conservancy Charges Rebates, Wage Credit Scheme, Rental Support Scheme, Top-ups to self-help groups, Grocery Vouchers, Productivity and Innovation Credit, Workfare Special Bonus, PAssion Card Top-up, Merdeka Generation Package, Cash Rebate for School Buses, Cash Grant to Mitigate Rental Costs, Self-Employed Person Income Relief Scheme, Care and Support Package – Cash Payout, Productivity and Innovation Credit Bonus, Solidarity Utilities Credit and SME Cash Grant.

⁶ Surplus / Deficit before Top-ups to Endowment and Trust Funds, Net Investment Returns Contribution, Capitalisation and Depreciation of Nationally Significant Infrastructure and SINGA Interest Costs and Loan Expenses.

⁷ SINGA Interest Costs and Loan Expenses include the annual effective interest costs (which is computed based on the yield to maturity multiplied by the face value of the bond) and other ancillary loan expenses incurred in connection with the SINGA. It excludes principal repayment and transfer of loan discount to Development Fund. It is different from the Debt Servicing and Related Costs presented in the Expenditure Estimates and Annex to Expenditure Estimates for Head Y. In FY2021, SINGA Interest Costs and Loan Expenses was positioned above the Overall Budget Surplus/Deficit in the Fiscal Position Table. It has been shifted below the Overall Budget Surplus/Deficit together with the other items that are also associated with the SINGA.

⁸ SINGA Interest Costs and Loan Expenses for Actual FY2021 is \$0.02 million.