



## GST OFFSET PACKAGE

The [GST Offset Package](#) is a set of comprehensive measures announced in Budget 2007 to help Singaporeans with the increase in GST, with more for lower-income Singaporeans. The GST Offset Package will cost the government \$4 billion over 5 years. It includes among other schemes, the GST Credits, Senior Citizens' Bonus, U-Save rebates and Top-Ups to Post-Secondary Education Accounts schemes.

## GST Offset Package Overview

1. GST Credits
2. Senior Citizens' Bonus
3. Utilities-Save, Service and Conservancy Charges and Rental Rebates
4. Other components of the GST Offset Package

### 1. GST Credits

In Budget 2007, it was announced that all adult Singaporean would get [GST Credits](#) of up to \$1,250 over 4 years to help them with the impact of the GST increase. Those who earn less or live in smaller homes would get more GST Credits. Nearly three-quarters of adult Singaporeans would get \$800 each. NSFs and NSmen will also get a one-off \$100 GST Credits to recognize their contributions to national security. In Budget 2009, to help households cope with their cash-flow problems arising from unemployment or reduced incomes, the Government distributed additional GST Credits of up to \$250 in March 2009.

The GST Credits scheme is closed.

[Back to top](#)

### 2. Senior Citizens' Bonus

In Budget 2007, it was announced that lower-income elderly aged 55 and above, with an annual income of \$100,000 or less, would also receive [Senior Citizens' Bonus](#) of \$250 to \$1,250 over 4 years. This was to help them meet living expenses out of their savings. Two-thirds of the Senior Citizens' Bonus would be given in cash and one-third credited to their Medisave Accounts. Similar to the GST Credits, the Government distributed additional Senior Citizens' Bonus of up to \$250 in Mar 2009.

The Senior Citizens' Bonus scheme is closed.

[Back to top](#)

### 3. Utilities-Save, Service and Conservancy Charges and Rental Rebates

HDB households would get Utilities-Save (U-Save), Service and Conservancy Charges (S&CC) and rental rebates over 5 years to help them cope with higher costs of living. Those living in smaller HDB flats would get more rebates.

#### U-Save Rebates

FY	1-Room	2-Room	3-Room	4-Room	5-Room	Exec
2007	\$220	\$220	\$220	\$210	\$140	\$100
2008*	\$220	\$220	\$200	\$190	\$120	\$80
	(+\$110*)	(+\$110*)	(+\$100*)	(+\$95*)	(+\$60*)	(+\$40*)
2009	\$200	\$200	\$180	\$170	\$100	\$60
2010	\$200	\$200	\$140	\$130	\$80	\$50
2011	\$180	\$180	\$100	\$90	\$60	\$40
<b>Total rebates*</b>	<b>\$1,020</b>	<b>\$1,020</b>	<b>\$840</b>	<b>\$790</b>	<b>\$500</b>	<b>\$330</b>
	<b>(+\$110*)</b>	<b>(+\$110*)</b>	<b>(+\$100*)</b>	<b>(+\$95*)</b>	<b>(+\$60*)</b>	<b>(+\$40*)</b>

\* Figures in brackets show the additional U-Save rebates announced at National Day Rally 2008.

#### Eligibility Criteria

To be eligible for the U-Save rebate, household has to fulfill all the criteria below:

- a) there must be at least one Singapore citizen lessee or occupier in the flat or the entire flat be sublet to at least one Singaporean tenant; and
- b) the lessee(s) and essential occupier(s) or tenant(s) of fully sublet flat do not own or have any interest in a private property.

#### Number of months of S&CC Rebates

FY	1-Room	2-Room	3-Room	4-Room	5-Room	Exec
2007	4.0	3.0	2.0	2.0	1.0	0.5
2008	4.0	3.0	2.0	2.0	1.0	0.5
2009*	3.0 (+1.0)*	2.0 (+1.0)*	2.0 (+1.0)*	1.0 (+0.5)*	1.0 (+0.5)*	0.5 (+0.5)*
2010	2.0	2.0	1.0	1.0	1.0	0.5
2011	2.0	2.0	1.0	1.0	1.0	0.5
<b>Total number of months</b>	<b>15.0 (+1.0*)</b>	<b>12.0 (+1.0*)</b>	<b>8.0 (+1.0*)</b>	<b>7.0 (+0.5*)</b>	<b>5.0 (+0.5*)</b>	<b>2.5 (+0.5*)</b>

\* Figures in brackets show the additional S&CC as announced in Budget 2009.

#### Eligibility Criteria

To be eligible for the S&CC rebate, household has to fulfill all the criteria below:

- a) there must be at least one Singapore citizen lessee or occupier in the flat;
- b) the lessee(s) and essential occupier(s) of the flat do not own or have any interest in a private property; and
- c) the lessee(s) have not sublet the whole flat.

#### Number of months of Rental Rebates

FY	1-Room	2-Room
2007	4.0	2.0
2008*	3.0 (+0.5*)	2.0 (+0.5*)
2009*	3.0 (+0.5*)	2.0 (+0.5*)
2010	3.0	1.0

2011	2.0	1.0
<b>Total number of months</b>	<b>15 (+1.0*)</b>	<b>8 (+1.0*)</b>

\* Figures in brackets show the additional month of Rental Rebates as announced in Budget 2009.

#### Eligibility Criteria

HDB households who fulfill all of the criteria below would qualify for the Rental rebates:

- Singaporean households (i.e. at least one Singapore citizen lessee/essential occupier) who pay subsidised rent; and
- Tenants do not infringe tenancy agreements of rental flats

[Back to top](#)

#### **4. Other Components Of the GST Offset Package**

As part of the GST Offset Package, Singaporeans would have received the following

- Top-Ups to PSEA
- Property Tax Rebate
- Assistance for Low-Income Families with Children
- Assistance for Pensioners
- Top-ups to Public Transport Fund for lower-income households
- Assistance through Citizens' Consultative Committees (CCCs), Self-Help Groups and VWOs for lower-income households
- Additional Subsidies for Healthcare, Education and Service and Conservancy Charges

Click [here](#) to find out more.

[Back to top](#)

## Frequently Asked Questions

### GST Credits and Senior Citizens' Bonus

1. Purpose
2. Eligibility
3. Amount of GST Credits/Senior Citizens' Bonus
4. Annual Value
5. Assessable Income
6. How to receive your GST Credits/Senior Citizens' Bonus
7. Additional Allotment of GST Credits for NSmen
8. Others

---

### GST Credits and Senior Citizens' Bonus

#### 1. Purpose

##### 1.1 Why is the Government giving out GST Credits/Senior Citizens' Bonus?

The GST Credits was introduced in 2007 to help Singaporeans cope with the impact of the GST increase.

The Senior Citizens' Bonus is an additional payout given to the elderly to help them with their retirement and healthcare needs and recognize them for their contributions to Singapore's economic progress.

To help Singaporeans cope with living expenses during the economic downturn in 2009, the Government doubled the amount of GST Credits and Senior Citizens' Bonus and enhanced the rebates for Service and Conservancy Charges (S&CC) and rental in 2009 as part of the Resilience Package.

##### 1.2 How much will the GST Credits/Senior Citizens' Bonus cost?

The GST Credits costs the Government \$1.8\* billion over four years.

The Senior Citizens' Bonus costs \$400\* million over four years.

\* The additional GST Credits and Senior Citizens' Bonus payouts given in Budget 2009 cost the Government another \$580 million.

##### 1.3 How many Singaporeans can benefit from the GST Credits/Senior Citizens' Bonus?

The GST Credits can benefit about 2.4 million Singaporeans including 800,000 elderly Singaporeans who also benefit from the Senior Citizens' Bonus.

##### 1.4 Will the GST Credits/Senior Citizens' Bonus earn bonus dividends, similar to the New Singapore Shares (NSS) and Economic Restructuring Shares (ERS)?

No, the GST Credits and 2/3 of the Senior Citizens' Bonus would be distributed in the form of cash after sign-up. The remaining 1/3 of the Senior Citizens' Bonus will be credited to your CPF Medisave Account. This is based on feedback from past schemes that many Singaporeans chose to encash their NSS and ERS early instead of waiting for the dividends, despite the attractive interest rates offered.

[Back to top](#)

#### 2. Eligibility

##### 2.1 Who qualifies to receive GST Credits/Senior Citizens' Bonus?

To receive GST Credits, you must:

- Be a Singapore citizen;
- Be aged 21 or above in the year of payout; and
- Sign up by 31 December of the year of payout.\*

If your annual Assessable Income is above \$100,000 in the Year of Assessment preceding the year of payout; and have received GST Credits in previous years, you will not receive any further GST Credits.

\*You only need to sign up once to receive your GST Credits for that year and subsequent years that you qualify.

To receive Senior Citizens' Bonus, you must:

- Be a Singapore citizen;
- Be aged 55 or above in the year of payout;
- Have an annual Assessable Income of \$100,000 or less in the Year of Assessment preceding the year of payout; and
- Sign up for your GST Credits by 31 December of the year of payout. There is no need for a separate sign-up for Senior Citizens' Bonus.

##### 2.2 Can Permanent Residents (PRs) receive the GST Credits/Senior Citizens' Bonus?

GST Credits/Senior Citizens' Bonus, like New Singapore Shares, Economic Restructuring Shares and the Progress Package are only given to citizens. This is a privilege of Singapore citizenship.

##### 2.3 Can dual citizens get the GST Credits/Senior Citizens' Bonus?

No, dual citizens are not eligible for GST Credits as Singapore does not recognise dual citizenship.

[Back to top](#)

#### 3. Amount of GST Credits/Senior Citizens' Bonus

##### 3.1 How much GST Credits/Senior Citizens' Bonus (SCB) can I get?

The amount of GST Credits/SCB you can receive depends on:

- (i) The Annual Value (AV) of your home in 2007 if your NRIC address has not changed since 31 December 2007\*;
- (ii) Your Assessable Income (AI) for the Year of Assessment preceding the year of payout (for example, your 2010 payout depends on your AI for Year of Assessment 2009, which is the income you earned in calendar year 2008 as assessed by IRAS);
- (iii) Your Age in the year of payout;
- (iv) NS Status (All NSF/NSmen will be entitled to a once-off bonus of \$100); **and**
- (v) Your Age in the year of payout (only applicable for Senior Citizens' Bonus).

If you qualify, you will get a letter from CPF Board informing you of the amounts of GST Credits/Senior Citizens' Bonus you can get for that year.

\* Your payouts would be determined based on the AV of your home in 2007 if you have stayed in the same residence since then. If you newly qualify (i.e. new citizen or newly turned 21), your payouts would be determined based on the AV of your home in the preceding year if you stayed in the same residence. If you have changed your address, the AV of your new home in the year of change would be applied in determining your payouts from the subsequent year onwards after the change is reflected in your NRIC. For instance, if your NRIC address is changed in 2009, the AV of your new home in 2009 would be used for your 2010 payout.

#### Structure of GST Credits

Annual GST Credits		AV of Home in 2007 for 2010 payout <sup>1</sup>		
		Up to \$5,000	More than \$5,000 and up to \$10,000	More than \$10,000
Assessable Income for YA 2009 for 2010 payout	Up to \$29,000	\$250		
	More than \$29,000 and up to \$100,000		\$200	\$100
	More than \$100,000		\$100 (1 yr) <sup>2</sup>	
NSFs/NSmen			\$100 (1 yr) <sup>3</sup>	

<sup>1</sup> If you have stayed in the same residence since 2007, the AV cut-offs of \$5,000 and \$10,000 apply. Where payouts are determined based on the AV of your home in 2008 or 2009 because you newly qualify for payouts or have changed your NRIC address in 2008 or 2009, the AV cut-offs of \$6,000 and \$11,000 apply.

<sup>2</sup> If you have already received a payout in previous years, you will not receive the \$100.

<sup>3</sup> For NSFs/NSmen, you will receive the \$100 in the year that you first qualify.

#### Structure of Senior Citizens' Bonus

The Senior Citizens' Bonus (SCB) would be given to Singaporeans aged 55 and above. 2/3 of the SCB would be distributed in cash and 1/3 be credited into individual's CPF Medisave Accounts.

Annual Senior Citizens' Bonus		AV of Home in 2007 for 2010 payout <sup>1</sup>		
		Up to \$5,000	More than \$5,000 and up to \$10,000	More than \$10,000
Assessable Income for YA 2009 for 2010 payout	Up to \$29,000	Aged 55-59: \$150  Aged 60 & above: \$250	Aged 55-59: \$100	Aged 55-59: \$50
	More than \$29,000 and up to \$100,000		Aged 60 & above: \$200	Aged 60 & above: \$100

<sup>1</sup> If you have stayed in the same residence since 2007, the AV cut-offs of \$5,000 and \$10,000 apply. Where payouts are determined based on the AV of your home in 2008 or 2009 because you newly qualify for payouts or have changed your NRIC address in 2008 or 2009, the AV cut-offs of \$6,000 and \$11,000 apply.

#### For movement into or out of the highest tier (i.e. AI more than \$100,000):

In the year that your AI is assessed as being more than \$100,000, you would get \$100 (only if you have not received a payout in previous years) and if in subsequent years your AI remains above \$100,000, you would get no further Credits. However, if your AI drops to \$100k or below, you would qualify for additional Credits based on the above structure.

#### 3.2 Why use both AI and AV to determine how much GST Credits/Senior Citizens' Bonus a person can get?

The Government has received feedback from past surplus sharing exercises that both the income and wealth of a person should be taken into account when allocating more to vulnerable Singaporeans. The tiered structure of AI and AV presents a more targeted way of distributing GST Credits. The AI establishes an individual's income, while the AV of his place of residence is a proxy for wealth.

#### 3.3 Why use age to determine how much Senior Citizens' Bonus a person can get?

The Government is allocating more to older Singaporeans to help them with their retirement and healthcare needs and in recognition of their contributions to Singapore.

#### 3.4 How much will I get if I stay in a rented property?

The amount of GST Credits you will get will depend on the AV of your rented place of residence as stated in your NRIC address.

## 4. Annual Value

### 4.1 What is the Annual Value (AV)?

AV is the property value used to calculate the property tax of your home. The AV can be found on the property tax bill that you receive each year.

### 4.2 Why is AV used instead of flat-type?

The AV of a property provides an indication of the value (or worth) of a property and serves as a proxy for an individual's means.

### 4.3 If I own several properties, which AV will be used?

The AV would be based on the property reflected in your NRIC address. If your NRIC address has not changed (i.e. you did not move house from 31 Dec 2007 - 31 Dec 2009), your 2008 - 2010 payouts would be based on the AV of your NRIC address as at 31 Dec 2007. If you changed address in 2009 or you newly qualify for these payouts (i.e. new citizen or newly turned 21) in 2010, your payouts would be based on the AV of your NRIC address in 2009, and the new AV cut-offs will apply. If you changed address in 2008, your payouts will be based on the AV of your NRIC address in 2008, and the new AV cut-offs would apply.

### 4.4 Will the 2008 AV cut-offs apply to my 2010 payouts?

If your NRIC address did not change since 2007, the AV cut-offs of \$6,000 and \$11,000 would not apply to your 2010 payouts. Instead, your payout would be determined based on your 2007 AV.

If your NRIC address changed in 2009 or if you newly qualify for GST Credits in 2010 (i.e. new citizens or newly turned 21), your 2010 payouts will be based on your 2009 AV as assessed by IRAS. If your NRIC address changed in 2008 and you continue to stay in the same residence, your 2010 payouts would be based on your 2008 AV as assessed by IRAS.

### 4.5 Why did the Government revise the 2008 AV cut-offs for the 2009 and 2010 payouts?

Since the scheme was introduced in 2007, IRAS has revised the AVs of HDB flats on 1 Jan 2008, to reflect prevailing market rental values. The 2008 AV cut-offs for the 2009 and 2010 GST Credits/SCB payouts were revised to ensure that the distribution of the GST Credits/SCB among various groups of Singaporeans remained largely unchanged from the original intent. The lower AV cut-off of \$6,000 would continue to cover all 1 to 3-room HDB flats, while the higher cut-off of \$11,000 would continue to cover all 4-room, 5-room and exec HDB flats (except for a few very large HDB flats) and some private properties of similar value.

### 4.6 Is the Government deviating from the principle of determining eligibility yearly?

The Government has not deviated from the principle of determining eligibility yearly. The eligibility must be updated regularly to take into account prevailing market conditions, but for those whose circumstances have not changed (i.e. not moved house), the Government would ensure that their payouts would not be affected by the change in AV.

[Back to top](#)

## 5. Assessable Income

### 5.1 What is Assessable Income (AI)?

Assessable Income is the full income you have in a calendar year (sum of your employment, dividends, interest and other income) less allowable expenses, applicable capital allowances, donations to IPCs and any loss incurred in trade and business. For more information on Assessable Income, please visit [IRAS' website](#).

### 5.2 Why has the AI cutoff changed from \$24,000 to \$29,000?

The AI cutoff was revised to reflect the shift of the median wage for resident workers (including full-time and part-time workers) from \$2,000 to \$2,400 a month.

### 5.3 Why is the income cut-off for the Senior Citizens' Bonus set at more than \$100,000 a year?

Those who earn more than \$100,000 a year would be in the top 5% of income earners and have more resources to cope with their retirement and healthcare needs.

### 5.4 If I did not need to pay any taxes in Year of Assessment (preceding year of payout), what is my AI?

You would be deemed to have an AI less than or equal to \$29,000, so you would receive the higher amount of GST Credits/Senior Citizens' Bonus for the AV category that you are in.

[Back to top](#)

## 6. How to receive your GST Credits/Senior Citizens' Bonus

### 6.1 Is there a final deadline for signing up?

The final deadline for you to sign up for the 2010 GST Credits/Senior Citizens' Bonus payouts was 31 December 2010.

### 6.2 What if I miss the 31 December 2010 deadline for signing up?

You will not be eligible to receive the GST Credits/Senior Citizens' Bonus.

### 6.3 What happens if my cheque expired or was not encashed before the GST Credits/Senior Citizens' Bonus scheme closed?

If your cheque expired or was not encashed before the scheme closed, your GST Credits/Senior Citizens' Bonus would have been credited to your CPF Ordinary Account (OA) in Sep 2011. The monies will form part of your CPF savings and be subject to CPF withdrawal rules. You may view your CPF statement of account online using your Singpass at [www.cpf.gov.sg](http://www.cpf.gov.sg) to verify your allotment into your CPF OA.

[Back to top](#)

## 7. Additional Allotment of GST Credits for NSmen

### 7.1 Will NSF/NSmen get extra GST Credits?

NSF/NSmen/Ex-NSmen (those who have exceeded statutory age) receive a one-time allotment of GST Credits worth \$100 in recognition of their contributions to Total Defence.

To qualify for the additional NS component, you must be a Singapore citizen and be serving or have served NS in the SAF, SPF and SCDF as at the point of assessment. In addition, NSFs must have completed Basic Military Training (BMT) or served at least 7 weeks of full-time NS at the point of assessment to be eligible for the payout.

The one-time additional NS component would be given together with the first tranche of GST Credits that the individual qualifies for. The payment tranches and their corresponding eligibility cut-off dates are shown in the table below.

NS Component Payment

Eligibility Cut-off Date

1 Jul 2007	30 Apr 2007
31 Jan 2008	31 Dec 2007
1 Jul 2008	30 Apr 2008
31 Jan 2009	31 Dec 2008
1 Mar 2009	31 Dec 2008
1 Jul 2009	30 Apr 2009
31 Jan 2010	31 Dec 2009
1 Jul 2010	30 Apr 2010
31 Jan 2011	31 Dec 2010

[Back to top](#)

## 8. Others

### 8.1 If the beneficiary passed away before his GST Credits/Senior Citizens' Bonus were paid, is he still eligible to receive the payout?

As the GST Credits/Senior Citizens' Bonus are meant to help with increases in living expenses, recipients must be living at the point of payment. Hence, if the beneficiary has passed away before his GST Credits/Senior Citizens' Bonus were paid, he will no longer be eligible to receive the payout.

### 8.2 Are the GST Credits/Senior Citizens' Bonus taxable?

No, the GST Credits/Senior Citizens' Bonus are not taxable.

### 8.3 Who can I contact if I have further questions on the GST Offset Package?

You can call 1800-226-0806 or email your enquiry to [mof\\_gsm@mof.gov.sg](mailto:mof_gsm@mof.gov.sg)

[Back to top](#)