

MOVING FORWARD IN A NEW ERA

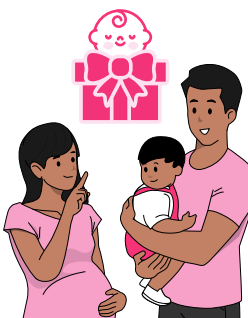


BUDGET
2023

STRENGTHENING OUR SOCIAL COMPACT

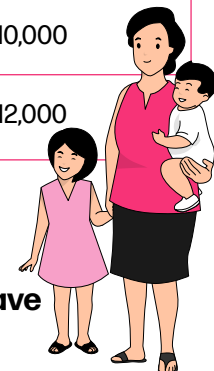
Building a Singapore Made For Families

- Extend \$3,000 **Baby Support Grant** for eligible Singaporean children born from 1 Oct 2022 to 13 Feb 2023
- For all other eligible Singaporean children:

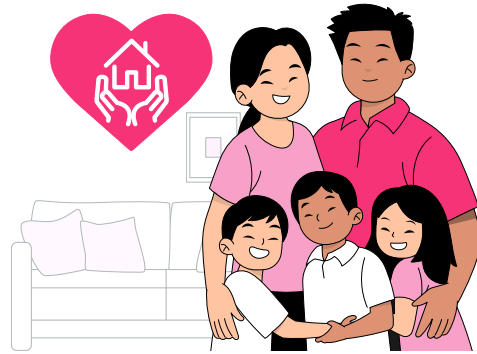
Born on	14 Feb 2023 - 31 Dec 2023	1 Jan 2024 onwards
Cash Support	<ul style="list-style-type: none"> • Increase in Baby Bonus Cash Gift by \$3,000 • Increase in Government contributions to the Child Development Account (CDA) <ul style="list-style-type: none"> - Increase First Step Grant by \$2,000 - Increase Government co-matching cap for CDA by \$1,000 for the first and second child 	
Government-Paid Paternity Leave	2 weeks	4 weeks (↑2 weeks on a voluntary basis)
Working Mother's Child Relief (WMCR)[^]		
1 st child	15% of mother's earned income	\$8,000
2 nd child	20% of mother's earned income	\$10,000
3 rd child and beyond	25% of mother's earned income	\$12,000

[^] No change for WMCR claims on qualifying Singaporean children born or adopted before 1 Jan 2024

- For all Singaporean children aged under 2 years from 1 Jan 2024 onwards: Increase **Unpaid Infant Care Leave** from 6 to 12 days per year for each parent

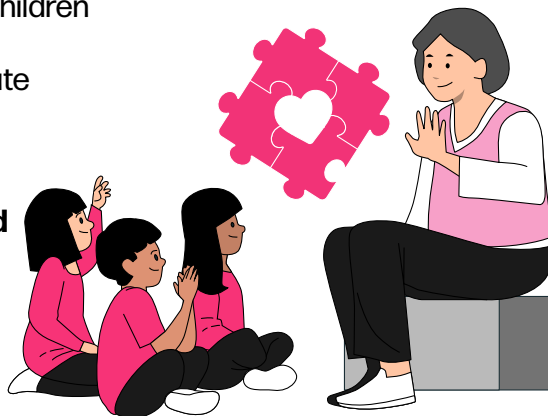


- Provide more support to specific groups of First-Timer families to secure a BTO flat
- Increase **CPF Housing Grant** by up to \$30,000
 - Up to \$190,000 in total for eligible First-Timer families purchasing resale HDB flats
- Lapse **Foreign Domestic Worker Levy Tax Relief** from Year of Assessment 2025, in view of the concessionary migrant domestic worker levy that benefits all families who need help with caring for their dependents



Supporting Lower-Income Families

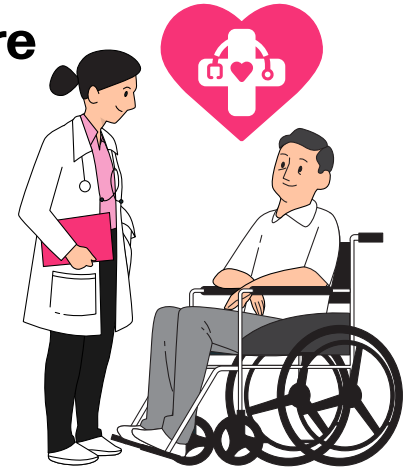
- Scale up **KidSTART** to support positive development outcomes for children
- Leverage **ComLink** to integrate delivery of social services
- Top up \$300 million to **ComCare Endowment Fund** to provide necessary social assistance to lower-income families



Providing Assurance in Our Silver Years

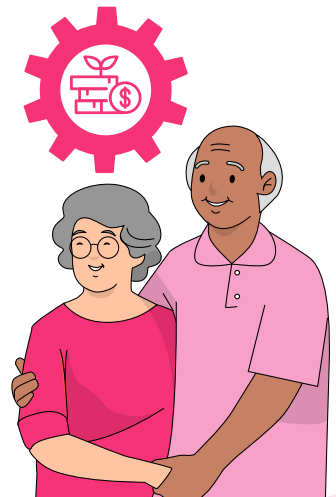
Support Long-Term Care and Healthcare Needs

- Top up \$500 million to **ElderCare Fund** to support means-tested subsidies for seniors who need home-based, centre-based, or institutional care
- Top up \$1.5 billion to **MediFund** to strengthen safety net for lower-income individuals and seniors facing financial difficulties with medical bills



Strengthen Retirement Adequacy

- Provide **CPF Transition Support** to lower-income Platform Workers in the first four years of implementation, to cushion the impact of their increased CPF contributions
- Increase **CPF contribution rates** for senior workers in 2024 and provide **CPF Transition Offset** to employers
- Increase **minimum CPF monthly payouts** for seniors on **Retirement Sum Scheme** to \$350
- Increase **CPF monthly salary ceiling** from \$6,000 to \$8,000 by 2026



BUILDING A RESILIENT NATION



Building Organisational Capabilities

- Build **organisational capabilities within the public service** by putting in place a more comprehensive system to train public servants, mobilise and cross-deploy them for various crisis roles based on their skillsets and expertise
- **Tap on the capabilities of the private and people sectors** in responding to crisis



Ensuring Economic and Infrastructure Resilience

- Build up resilience in our economy and supply chains through **diversification of import sources, stockpiling of food and essential items, and local production**
- Review **stockpiling strategies and improve diversification of critical supplies**
- Design **buildings to serve both peacetime and crisis functions**, where possible

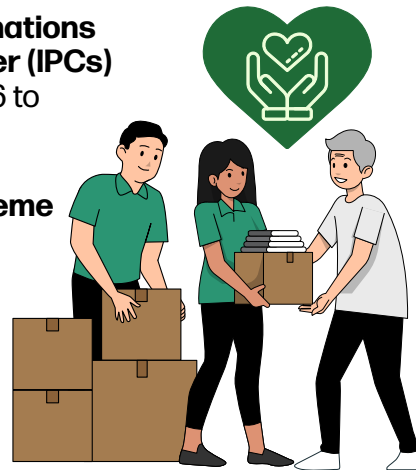


Safeguarding our Climate Resilience

- Accelerate **low-carbon transition** for our economy and society, to achieve net zero emissions by 2050
- Take steps to adapt to global warming and rising sea levels

Our Resilience as a People

- Extend **250% tax deduction for donations to Institutions of a Public Character (IPCs) and eligible institutions** to end-2026 to encourage giving
- Enhance **Corporate Volunteer Scheme** to deepen partnerships between businesses and IPCs
 - Extend to end-2026 and expand eligible activities
 - Double the claims per IPC to a cap of \$100,000 per calendar year
- Review salary benchmarks and raise salary guidelines for the social service sector to attract and retain talent
- Top up **Community Silver Trust** by \$1 billion to support social service agencies that deliver community care services to seniors through dollar-for-dollar donation matching
- Provide a \$10 million top-up to support Self-Help Groups over the next three years



A COMPETITIVE, RESILIENT, AND FAIR TAX SYSTEM



Corporate Income Tax

- **Base Erosion and Profit Shifting Initiative (BEPS 2.0)**
 - Implement **Global Anti-Base Erosion (GloBE) rules** under **BEPS Pillar 2** and **Domestic Top-up Tax (DTT)** for large Multinational Enterprise (MNE) groups from businesses' financial year starting on or after 1 Jan 2025
 - Will monitor international developments and adjust as needed if there are delays
 - Update industry development schemes to ensure that Singapore remains competitive in attracting and retaining investments



Vehicle Tax

- Higher marginal **Additional Registration Fee (ARF)** rates for higher-end and luxury cars
 - Portion of Open Market Value in excess of \$40,000 and up to \$60,000 will be taxed at 190%; in excess of \$60,000 and up to \$80,000 at 250%; and in excess of \$80,000 at 320%
- Cap **Preferential ARF (PARF)** rebates at \$60,000



Buyer's Stamp Duty and Additional Conveyance Duties for Buyers

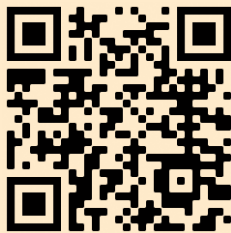
- Increase **Buyer's Stamp Duty (BSD)** rates for higher-value properties, with effect from 15 Feb 2023:
 - For **residential properties**, the portion of the property value:
 - In excess of \$1.5 million and up to \$3 million will be taxed at 5% (up from 4%)
 - In excess of \$3 million will be taxed at 6% (up from 4%)
 - For **non-residential properties**, the portion of the property value:
 - In excess of \$1 million and up to \$1.5 million will be taxed at 4% (up from 3%)
 - In excess of \$1.5 million will be taxed at 5% (up from 3%)
- BSD rates on or before 14 Feb 2023 will apply for eligible transitional cases
- **Additional Conveyance Duties for Buyers**, which applies to qualifying acquisitions of equity interest in property holding entities, will be adjusted accordingly

Tobacco Excise Duty

- Increase **excise duty on tobacco products** by 15%



Read more at
www.singaporebudget.gov.sg



Based on information as of 14 February 2023