

OVERVIEW OF THE BUDGET FOR FINANCIAL YEAR 2019

Budget for FY2019

The FY2019 Budget is summarised in [Table 1.1](#).

Operating Revenue

Operating Revenue is estimated to be \$74.90 billion, \$1.23 billion or 1.7% higher than the Revised FY2018 estimate. This is mainly due to an increase in estimated collections from Corporate Income Tax and Goods and Services Tax.

Corporate Income Tax collections are projected to be \$16.72 billion, \$0.59 billion or 3.6% higher than the Revised FY2018 estimate. Personal Income Tax collections are estimated to be \$11.80 billion, \$0.09 billion or 0.7% higher than the Revised FY2018 estimate.

Statutory Boards' Contributions are projected to be \$1.29 billion, \$0.20 billion or 13.2% lower than the Revised FY2018 estimate.

Assets Taxes are projected to be \$4.69 billion, \$0.10 billion or 2.2% higher than the Revised FY2018 estimate, while Stamp Duty collections are estimated to be \$4.02 billion, \$0.60 billion or 13.1% lower than the Revised FY2018 estimate.

Goods and Services Tax collections are projected to be \$11.69 billion, \$0.40 billion or 3.5% higher than the Revised FY2018 estimate.

Motor Vehicle Taxes are projected to be \$3.09 billion, \$0.21 billion or 7.4% higher than the Revised FY2018 estimate. Vehicle Quota Premiums are estimated to be \$3.42 billion, \$0.15 billion or 4.5% higher than the Revised FY2018 estimate.

Other Taxes, which include the Foreign Worker Levy, Water Conservation Tax, Development Charge and Annual Tonnage Tax, are estimated to be \$6.69 billion, \$0.11 billion or 1.6% lower than the Revised FY2018 estimate.

Total Expenditure

Total Expenditure is projected to be \$80.25 billion, \$1.26 billion or 1.6% higher than the Revised FY2018 estimate. Operating Expenditure is estimated to be \$60.79 billion, \$2.16 billion or 3.7% higher than the Revised FY2018 estimate. Development Expenditure is estimated to be \$19.47 billion, \$0.89 billion or 4.4% lower than the Revised FY2018 estimate.

Special Transfers

Budget 2019 will provide \$15.30 billion for Special Transfers including Top-ups to Endowment and Trust Funds.

Net Investment Returns Contribution (NIRC)

NIRC for FY2019 is estimated to be \$17.17 billion.

Budget Position

Before taking into account Top-ups to Endowment and Trust Funds and before NIRC, a basic deficit of \$7.09 billion is projected for FY2019. After factoring in the Top-ups to Endowment and Trust Funds of \$13.56 billion and NIRC of \$17.17 billion, the estimated outturn for FY2019 is an overall budget deficit of \$3.48 billion.

TABLE 1.1 BUDGET FOR FY2019

	Revised FY2018	Estimated FY2019	Change Over Revised FY2018	
	\$billion	\$billion	\$billion	% change
OPERATING REVENUE	73.67	74.90	1.23	1.7
Corporate Income Tax	16.14	16.72	0.59	3.6
Personal Income Tax	11.71	11.80	0.09	0.7
Withholding Tax	1.49	1.54	0.05	3.4
Statutory Boards' Contributions ¹	1.49	1.29	(0.20)	(13.2)
Assets Taxes	4.59	4.69	0.10	2.2
Customs and Excise Taxes	3.13	3.50	0.37	11.8
Goods and Services Tax	11.29	11.69	0.40	3.5
Motor Vehicle Taxes	2.88	3.09	0.21	7.4
Vehicle Quota Premiums	3.27	3.42	0.15	4.5
Betting Taxes	2.66	2.67	0.01	0.4
Stamp Duty	4.63	4.02	(0.60)	(13.1)
Other Taxes ²	6.80	6.69	(0.11)	(1.6)
Fees and Charges (Excluding Vehicle Quota Premiums)	3.22	3.38	0.16	5.0
Others	0.37	0.38	0.01	3.3
Less:				
TOTAL EXPENDITURE	78.99	80.25	1.26	1.6
Operating Expenditure	58.63	60.79	2.16	3.7
Development Expenditure	20.36	19.47	(0.89)	(4.4)
PRIMARY SURPLUS / DEFICIT³	(5.32)	(5.36)		
Less:				
SPECIAL TRANSFERS⁴	9.00	15.30	6.30	70.0
Special Transfers Excluding Top-ups to Endowment and Trust Funds	1.70	1.74		
CPF MediSave Top-ups	0.09	0.06		
CPF Top-Up	-	0.23		
Post-Secondary Education Account Top-Up	-	0.08		
GST Voucher Special Payment ⁵	0.00	0.44		
Productivity and Innovation Credit	0.18	0.05		
Service & Conservancy Charges Rebate	0.13	0.13		
SG Bonus	0.68	0.01		
Wage Credit Scheme	0.61	0.65		
Workfare Special Bonus ⁶	-	0.08		
Other Transfers ⁷	0.01	0.00		
BASIC SURPLUS / DEFICIT⁸	(7.02)	(7.09)		
Top-ups to Endowment and Trust Funds	7.30	13.56		
Community Silver Trust	0.30	-		
GST Voucher Fund	2.00	-		
Long-Term Care Support Fund	-	5.08		
Merdeka Generation Fund	-	6.10		
Public Transport Fund	-	0.01		
Rail Infrastructure Fund	5.00	2.00		
Special Employment Credit Fund	-	0.37		
Add:				
NET INVESTMENT RETURNS CONTRIBUTION	16.44	17.17	0.73	4.5
OVERALL BUDGET SURPLUS / DEFICIT	2.12	(3.48)		

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 will in turn comprise 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 The GST Voucher Special Payment committed in Budget 2019 comprises the Additional GST Voucher – U-Save with payments starting in late FY2018. The GST Voucher Special Payment committed in Budget 2019 comprises the GST Voucher – Cash (Bicentennial Payment).

⁶ The Workfare Special Bonus committed in Budget 2019 comprises the Workfare Bicentennial Bonus.

⁷ Consists of Productivity and Innovation Credit Bonus, Rebate for School Buses, SME Cash Grant, Top-ups to Child Development Accounts, and funding for Self-Help Groups in FY2018. Consists of Productivity and Innovation Credit Bonus, Rebate for School Buses, SME Cash Grant, and Top-ups to Child Development Accounts in FY2019.

⁸ Surplus / Deficit before Top-ups to Endowment and Trust Funds, and Net Investment Returns Contribution.