

REVIEW OF FINANCIAL YEAR 2011

Operating Revenue

FY2011 Operating Revenue has been revised upwards by \$2.4 billion (or 5.0%) to \$50.5 billion. This is mainly attributed to the strong GDP growth in 2010 which boosted income tax revenues, as well as a buoyant property market which increased property related tax collections.

Tax Revenue

Corporate Income Tax collections are estimated at \$12.2 billion, \$1.2 billion (or 10.8%) higher than the budgeted FY2011 estimate. Personal Income Tax collections are estimated at \$6.8 billion, \$0.2 billion (or 2.8%) lower than the budgeted FY2011 estimate. Withholding Tax collections are estimated at \$1.2 billion, \$22 million (or 1.9%) higher than the budgeted FY2011 estimate.

Assets Taxes are estimated at \$3.9 billion, \$0.3 billion (or 7.9%) higher than the budgeted FY2011 estimate. Stamp Duties are estimated at \$2.9 billion, \$0.8 billion (or 37.4%) higher than the budgeted FY2011 estimate.

Goods and Services Tax collections are estimated at \$8.8 billion, \$0.3 billion (or 3.6%) higher than the budgeted FY2011 estimate. Motor Vehicle Related Taxes are estimated at \$1.8 billion, \$0.1 billion (or 6.6%) higher than the budgeted FY2011 estimate while Vehicle Quota Premiums are estimated to decrease marginally by \$8 million (or 0.4%) to \$2.0 billion.

Total Expenditure

Revised FY2011 Total Expenditure amounts to \$47.5 billion (14.2% of GDP). This is higher than the budgeted FY2011 estimate by \$0.4 billion (or 0.9%). This increase is mainly attributed to higher expected spending in transport-related projects.

Special Transfers

Special Transfers and Top-ups to Endowment and Trust Funds are expected to total \$8.6 billion in FY2011, \$0.1 billion (or 1.7%) lower than budgeted due to a lower amount disbursed under the SME Cash Grant Scheme introduced in Budget 2011.

Net Investment Returns Contribution

NIRC for FY2011 is expected to be \$7.9 billion. This is \$0.1 billion (or 1.7%) higher than the budgeted FY2011 estimate.

Budget Position

Before taking into account Top-ups to Endowment and Trust Funds, and before NIRC, the revised basic deficit is estimated at \$0.1 billion (or 0.03% of GDP), smaller than the budgeted basic deficit of \$2.2 billion. After factoring in the Top-ups to Endowment and Trust Funds, and NIRC of \$7.9 billion, the estimated outturn for FY2011 is an overall budget surplus of \$2.3 billion (0.7% of GDP).

TABLE 2.1: FISCAL POSITION IN FY2010 AND FY2011

	Actual FY2010	Estimated FY2011	Revised FY2011	Revised FY2011 Compared to	
				Actual FY2010	Estimated FY2011
	\$billion	\$billion	\$billion	% change	% change
OPERATING REVENUE	46.06	48.12	50.53	9.7	5.0
Corporate Income Tax	10.69	11.01	12.20	14.2	10.8
Personal Income Tax	6.47	7.00	6.80	5.1	(2.8)
Withholding Tax	0.96	1.16	1.18	23.3	1.9
Statutory Boards' Contributions	0.57	0.44	0.35	(38.4)	(20.5)
Assets Taxes	2.80	3.58	3.86	37.7	7.9
Customs and Excise Tax	2.05	2.09	2.09	2.2	0.2
Goods and Services Tax	8.20	8.44	8.75	6.7	3.6
Motor Vehicle Related Taxes	1.85	1.72	1.83	(1.2)	6.6
Vehicle Quota Premiums	1.60	2.01	2.00	24.8	(0.4)
Betting Taxes	2.28	2.41	2.38	4.6	(0.9)
Stamp Duty	3.28	2.14	2.94	(10.2)	37.4
Other Taxes	2.71	3.45	3.34	23.3	(3.2)
Other Fees and Charges	2.38	2.51	2.56	7.2	1.8
Others	0.23	0.18	0.25	10.7	39.9
Less:					
TOTAL EXPENDITURE	45.34	47.10	47.54	4.9	0.9
Operating Expenditure	33.27	35.90	35.87	7.8	(0.1)
Development Expenditure	12.07	11.20	11.67	(3.3)	4.2
PRIMARY SURPLUS / DEFICIT¹	0.72	1.02	2.99		
Less:					
SPECIAL TRANSFERS²	7.09	8.73	8.58	21.0	(1.7)
Special Transfers Excluding Top-ups to Endowment and Trust Funds	1.50	3.24	3.08		
Growth Dividends	0.00	1.55	1.55		
GST Credits	0.45	0.00	0.00		
Utilities Save Rebates/ Service and Conservancy Charges Rebates/ Rental Rebates	0.13	0.30	0.30		
Workfare ³	0.01	0.26	0.26		
CPF Medisave Top-ups	0.31	0.50	0.52		
Transfers to Young Singaporeans ⁴	0.22	0.09	0.09		
Transfers to Seniors and the Needy ⁵	0.13	0.04	0.04		
Transfers to Businesses ⁶	0.24	0.48	0.31		
BASIC SURPLUS / DEFICIT⁷	(0.78)	(2.21)	(0.09)		
Top-ups to Endowment and Trust Funds	5.59	5.49	5.50		
Top-up to Endowment Funds ⁸	0.40	2.20	2.20		
National Productivity Fund	1.00	1.00	1.00		
National Research Fund	1.50	1.00	1.00		
Community Silver Trust	-	1.00	1.00		
Trust Fund for Workfare Special Bonus and Special Employment Credit	-	0.29	0.30		
Singapore Universities Trust	2.00	-	-		
CPF Deferment and Voluntary Deferment Bonus	0.44	-	-		
LIFE Bonus	0.25	-	-		
Add:					
NET INVESTMENT RETURNS CONTRIBUTION	7.35	7.78	7.91	7.6	1.7
OVERALL BUDGET SURPLUS / DEFICIT	0.98	0.08	2.32		

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

¹ Surplus / Deficit before Special Transfers and Net Investment Returns Contribution.

² Special Transfers include Top-ups to Endowment and Trust Funds.

³ Consists of Workfare Income Supplement Scheme (Special Payment), Workfare Special Bonus and Special Employment Credit.

⁴ Consists of Top-ups to Edusave Accounts and Post-Secondary Education Accounts.

⁵ Consists of Senior Citizens' Bonus, public transport vouchers and assistance through Citizens' Consultative Committees, Self-Help Groups and Voluntary Welfare Organisations.

⁶ Consists of Jobs Credit, Productivity and Innovation Credit, R&D Incentive for Start-up Enterprises and SME Cash Grant.

⁷ Surplus / Deficit before Top-ups to Endowment and Trust Funds and Net Investment Returns Contribution.

⁸ Consists of Community Care Endowment Fund, Medical Endowment Fund, ElderCare Fund and Lifelong Learning Endowment Fund.