

OVERVIEW OF THE BUDGET FOR FINANCIAL YEAR 2014

Budget for FY2014

The FY2014 Budget is summarised in [Table 1.1](#).

Operating Revenue

FY2014 Operating Revenue is projected at \$59.51 billion. This is an increase of \$2.37 billion or 4.1% from the revised FY2013 estimate.

Corporate Income Tax collections are expected to increase by \$0.49 billion or 3.9% from the revised FY2013 estimate to \$13.03 billion in FY2014. Personal Income Tax collections are expected to increase by \$1.14 billion or 14.9% from the revised FY2013 estimate to \$8.79 billion in FY2014.

Assets Taxes are estimated at \$4.35 billion, \$0.12 billion or 2.7% higher than the revised FY2013 estimate. Stamp Duty collections are projected to decline by \$1.22 billion or 30.0% from the revised FY2013 estimate to \$2.84 billion in FY2014.

Goods and Services Tax collections are estimated at \$10.11 billion, \$0.58 billion or 6.1% higher than the revised FY2013 estimate.

Motor Vehicle Taxes are estimated at \$1.36 billion, \$0.33 billion or 19.5% lower than the revised FY2013 estimate. Vehicle Quota Premiums are projected to rise by \$0.20 billion or 7.1% from the revised FY2013 estimate to \$2.95 billion in FY2014.

Other Taxes, which include the Foreign Worker Levy, Water Conservation Tax, Development Charge and Annual Tonnage Tax, are projected to increase by \$0.55 billion or 10.5% from the revised FY2013 estimate to \$5.82 billion in FY2014.

Total Expenditure

FY2014 Total Expenditure is estimated to be \$56.66 billion. This is an increase of \$4.32 billion or 8.3% from the revised FY2013 estimate. Development Expenditure is expected to increase by \$1.87 billion or 15.7% from the revised FY2013 estimate to \$13.78 billion in FY2014. Operating Expenditure is projected to increase by \$2.45 billion or 6.1% from the revised FY2013 estimate to \$42.88 billion in FY2014.

Special Transfers

Budget 2014 will provide \$12.11 billion for Special Transfers and Top-ups to Endowment Funds and Trust Funds in FY2014.

Net Investment Returns Contribution

The Net Investment Returns Contribution (NIRC) for FY2014 is expected to be \$8.10 billion.

Budget Position

Before taking into account Top-ups to Endowment Funds and Trust Funds, and before NIRC, a basic deficit of \$0.76 billion is expected for FY2014. After factoring in the Top-ups to Endowment Funds and Trust Funds, and NIRC of \$8.10 billion, the estimated outturn for FY2014 is an overall budget deficit of \$1.16 billion.

TABLE 1.1 BUDGET FOR FY2014

	Revised FY2013	Estimated FY2014	Change over Revised FY2013	
	\$billion	\$billion	\$billion	% change
OPERATING REVENUE	57.15	59.51	2.37	4.1
Corporate Income Tax	12.55	13.03	0.49	3.9
Personal Income Tax	7.65	8.79	1.14	14.9
Withholding Tax	1.13	1.19	0.06	5.7
Statutory Boards' Contributions	0.53	0.49	(0.04)	(7.4)
Assets Taxes	4.23	4.35	0.12	2.7
Customs and Excise Taxes	2.20	2.61	0.41	18.9
Goods and Services Tax	9.52	10.11	0.58	6.1
Motor Vehicle Taxes	1.69	1.36	(0.33)	(19.5)
Vehicle Quota Premiums	2.76	2.95	0.20	7.1
Betting Taxes	2.34	2.58	0.25	10.6
Stamp Duty	4.05	2.84	(1.22)	(30.0)
Other Taxes	5.26	5.82	0.55	10.5
Other Fees and Charges	2.93	3.07	0.14	4.9
Others	0.32	0.32	0.00	1.5
Less:				
TOTAL EXPENDITURE	52.34	56.66	4.32	8.3
Operating Expenditure	40.43	42.88	2.45	6.1
Development Expenditure	11.91	13.78	1.87	15.7
PRIMARY SURPLUS / DEFICIT¹	4.80	2.85		
Less:				
SPECIAL TRANSFERS²	8.82	12.11	3.29	37.4
Special Transfers Excluding Top-ups to Endowment and Trust Funds	3.22	3.61		
GST Voucher Special Payment ³	0.68	0.28		
Utilities-Save Rebates and Service and Conservancy Charges Rebates	0.08	0.08		
CPF Medisave Top-ups	0.31	0.12		
Pioneer Generation Package	-	0.26		
Productivity and Innovation Credit	0.65	0.74		
Productivity and Innovation Credit Bonus	0.64	0.32		
Wage Credit Scheme	0.82	1.76		
SME Cash Grant	0.04	0.03		
Other Transfers ⁴	0.01	0.02		
BASIC SURPLUS / DEFICIT⁵	1.58	(0.76)		
Top-ups to Endowment and Trust Funds	5.59	8.50		
Top-up to Endowment Funds ⁶	2.32	0.50		
GST Voucher Fund	3.00	-		
Cultural Matching Fund ⁷	0.20	-		
National Youth Fund	0.07	-		
Pioneer Generation Fund	-	8.00		
Add:				
NET INVESTMENT RETURNS CONTRIBUTION	7.94	8.10	0.16	2.0
OVERALL BUDGET SURPLUS / DEFICIT	3.92	(1.16)		

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 The Special Payment committed in Budget 2013 consists of a cash component, Utilities-Save Rebates and CPF Medisave Top-ups. The Special Payment introduced in Budget 2014 comprises the GST Voucher – Cash: Seniors' Bonus and Utilities-Save Rebates.

⁴ Consists of Growth Dividends, GST Credits, Child Development Credits, Top-ups to Post-Secondary Education Accounts, public transport vouchers and funds set aside for Self-Help Groups and Voluntary Welfare Organisations.

⁵ Surplus / Deficit before Top-ups to Endowment and Trust Funds and Net Investment Returns Contribution.

⁶ Consists of the Community Care Endowment Fund, Edusave Endowment Fund, ElderCare Fund, Lifelong Learning Endowment Fund and Medical Endowment Fund.

⁷ The Cultural Donation Matching Fund has been re-named as the Cultural Matching Fund.