

REVIEW OF FINANCIAL YEAR 2015

The Revised FY2015 fiscal position is summarised in Table 2.1.

Operating Revenue

Operating Revenue is projected to decrease by \$0.11 billion, or 0.2% over the budgeted estimates, to \$64.16 billion. This decrease is mainly due to lower-than-expected collections from Customs and Excise Taxes, and Statutory Boards' Contributions.

Corporate Income Tax collections are expected to increase by \$0.37 billion, or 2.7% over the budgeted estimates, to \$13.85 billion. Personal Income Tax collections are estimated to increase by \$0.22 billion, or 2.5% over the budgeted estimates, to \$9.13 billion.

Assets Taxes are projected to be \$4.39 billion, close to the budgeted estimates. Stamp Duty collections are expected to increase by \$0.14 billion, or 5.2% over the budgeted estimates, to \$2.73 billion.

Goods and Services Tax collections are expected to decrease by \$0.16 billion, or 1.5% over the budgeted estimates, to \$10.33 billion.

Motor Vehicle Taxes are estimated to decrease by \$0.32 billion, or 15.2% over the budgeted estimates, to \$1.80 billion. Vehicle Quota Premiums are expected to increase by \$0.32 billion, or 6.4% over the budgeted estimates, to \$5.41 billion.

Other Taxes, which include the Foreign Worker Levy, Water Conservation Tax, Development Charge and Annual Tonnage Tax, are expected to decrease by \$0.23 billion, or 3.8% over the budgeted estimates, to \$5.88 billion.

Total Expenditure

Total Expenditure is expected to increase by \$0.19 billion, or 0.3% over the budgeted estimates, to \$68.41 billion. This increase is mainly attributed to higher-than-expected development expenditure.

Special Transfers

Special Transfers and Top-ups to Endowment Funds and Trust Funds are expected to total \$10.54 billion.

Net Investment Returns Contribution (NIRC)

NIRC is expected to increase by \$0.96 billion, or 10.7% over the budgeted estimates, to \$9.90 billion.

Budget for FY2015

Before taking into account Top-ups to Endowment Funds and Trust Funds and before NIRC, the basic deficit is projected to be \$8.78 billion, which is smaller than the budgeted deficit of \$9.62 billion. After factoring in the Top-ups to Endowment Funds and Trust Funds of \$6 billion, and NIRC of \$9.90 billion, the Revised FY2015 outturn is estimated to be an overall budget deficit of \$4.88 billion.

TABLE 2.1: FISCAL POSITION IN FY2014 AND FY2015

	Actual FY2014	Estimated FY2015	Revised FY2015	Revised FY2015	
				Compared to	
				Actual FY2014	Estimated FY2015
	\$billion	\$billion	\$billion	% change	% change
OPERATING REVENUE	60.84	64.27	64.16	5.5	(0.2)
Corporate Income Tax	13.37	13.48	13.85	3.5	2.7
Personal Income Tax	8.93	8.91	9.13	2.3	2.5
Withholding Tax	1.13	1.14	1.31	16.3	14.5
Statutory Boards' Contributions	0.52	0.82	0.43	(15.8)	(47.2)
Assets Taxes	4.34	4.41	4.39	1.2	(0.5)
Customs and Excise Taxes	2.54	2.96	2.56	0.7	(13.6)
Goods and Services Tax	10.22	10.48	10.33	1.1	(1.5)
Motor Vehicle Taxes	1.60	2.12	1.80	12.1	(15.2)
Vehicle Quota Premiums	3.39	5.08	5.41	59.3	6.4
Betting Taxes	2.59	2.71	2.71	4.6	0.1
Stamp Duty	2.78	2.60	2.73	(1.9)	5.2
Other Taxes	6.10	6.11	5.88	(3.5)	(3.8)
Other Fees and Charges	3.01	3.11	3.29	9.4	5.7
Others	0.32	0.33	0.35	8.1	6.1
Less:					
TOTAL EXPENDITURE	56.65	68.22	68.41	20.8	0.3
Operating Expenditure	42.69	48.71	48.73	14.2	0.0
Development Expenditure	13.96	19.51	19.68	41.0	0.9
PRIMARY SURPLUS / DEFICIT¹	4.19	(3.95)	(4.25)		
Less:					
SPECIAL TRANSFERS²	12.36	11.67	10.54	(14.7)	(9.7)
Special Transfers Excluding Top-ups to Endowment and Trust Funds	3.86	5.67	4.54		
GST Voucher Special Payment ³	0.27	0.32	0.32		
Service and Conservancy Charges Rebates	0.08	0.08	0.09		
CPF Medisave Top-ups	0.09	0.10	0.10		
Pioneer Generation Package ⁴	0.27	-	-		
Productivity and Innovation Credit	1.08	1.50	0.99		
Productivity and Innovation Credit Bonus	0.62	0.45	0.20		
Temporary Employment Credit	-	0.69	0.72		
Wage Credit Scheme	1.42	2.31	1.91		
Other Transfers ⁵	0.02	0.22	0.23		
BASIC SURPLUS / DEFICIT⁶	0.33	(9.62)	(8.78)		
Top-ups to Endowment and Trust Funds	8.50	6.00	6.00		
Top-up to Endowment Funds ⁷	0.50	-	-		
Special Employment Credit Fund	-	0.50	0.50		
National Research Fund	-	1.00	1.00		
National Productivity Fund	-	1.50	1.50		
Pioneer Generation Fund	8.00	-	-		
Changi Airport Development Fund	-	3.00	3.00		
Add:					
NET INVESTMENT RETURNS CONTRIBUTION	8.74	8.94	9.90	13.3	10.7
OVERALL BUDGET SURPLUS / DEFICIT	0.57	(6.67)	(4.88)		

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 GST Voucher Special Payment committed in Budget 2014 comprises the GST Voucher – Cash: Seniors' Bonus and Utilities-Save Rebates. The GST Voucher Special Payment committed in Budget 2015 comprises the GST Voucher – Seniors' Bonus.

⁴ Payouts for the Pioneer Generation Package from FY2015 onwards will be made from the Pioneer Generation Fund.

⁵ Consists of SME Cash Grant, Growth Dividends, GST Credits, Top-ups to Child Development Accounts and Post-Secondary Education Accounts, public transport vouchers, SG50 Giving, and funding for Self-Help Groups and Voluntary Welfare Organisations.

⁶ Surplus / Deficit before Top-ups to Endowment and Trust Funds, and Net Investment Returns Contribution.

⁷ Consists of the Community Care Endowment Fund, Edusave Endowment Fund, ElderCare Fund, Lifelong Learning Endowment Fund and Medical Endowment Fund.