

REVIEW OF FINANCIAL YEAR 2016

The Revised FY2016 fiscal position is summarised in Table 2.1.

Operating Revenue

Operating Revenue is projected to increase by \$0.22 billion or 0.3% over the budgeted estimate, to \$68.67 billion. This increase is mainly due to higher-than-expected collections from Vehicle Quota Premiums and Stamp Duty.

Corporate Income Tax collections are projected to be \$13.45 billion, similar to the budgeted estimate. Personal Income Tax collections are estimated to be \$10.48 billion, \$0.35 billion or 3.5% higher than the budgeted estimate.

Assets Taxes are projected to be \$4.37 billion, close to the budgeted estimate. Stamp Duty collections are expected to be \$2.94 billion, \$0.42 billion or 16.5% higher than the budgeted estimate.

Goods and Services Tax collections are projected to be \$10.85 billion, a slight increase of \$0.24 billion or 2.2% over the budgeted estimate.

Motor Vehicle Taxes are projected to be \$2.31 billion, a decrease of \$0.63 billion or 21.4% over the budgeted estimate. Vehicle Quota Premiums are expected to increase by \$1.21 billion or 21.4% over the budgeted estimate, to \$6.86 billion.

Other Taxes, which include the Foreign Worker Levy, Water Conservation Tax, Development Charge and Annual Tonnage Tax, are expected to decrease by \$0.22 billion or 3.5% over the budgeted estimate, to \$6.11 billion.

Total Expenditure

Total Expenditure is expected to decrease by \$2.04 billion or 2.8% over the budgeted estimate, to \$71.39 billion. This decrease is mainly attributed to lower-than-expected operating expenditure.

Special Transfers

Special Transfers including Top-ups to Endowment Funds and Trust Funds are expected to total \$6.47 billion.

Net Investment Returns Contribution (NIRC)

NIRC is expected to decrease slightly by \$0.34 billion or 2.3% over the budgeted estimate, to \$14.37 billion.

Budget for FY2016

Before taking into account Top-ups to Endowment Funds and Trust Funds and before NIRC, the basic deficit is projected to be \$5.59 billion, which is smaller than the budgeted deficit of \$7.66 billion. After factoring in Top-ups to Endowment Funds and Trust Funds of \$3.60 billion, and NIRC of \$14.37 billion, the Revised FY2016 outturn is estimated to be an overall budget surplus of \$5.18 billion.

TABLE 2.1: FISCAL POSITION IN FY2015 AND FY2016

	Actual FY2015	Estimated FY2016	Revised FY2016	Revised FY2016 Compared to	
				Actual	Estimated
				FY2015	FY2016
	\$billion	\$billion	\$billion	% change	% change
OPERATING REVENUE	64.82	68.44	68.67	5.9	0.3
Corporate Income Tax	13.82	13.41	13.45	(2.7)	0.3
Personal Income Tax	9.23	10.13	10.48	13.5	3.5
Withholding Tax	1.40	1.33	1.46	4.3	10.2
Statutory Boards' Contributions	0.44	1.88	0.78	76.8	(58.8)
Assets Taxes	4.46	4.40	4.37	(2.0)	(0.7)
Customs and Excise Taxes	2.83	2.91	2.75	(2.9)	(5.4)
Goods and Services Tax	10.35	10.62	10.85	4.9	2.2
Motor Vehicle Taxes	1.76	2.93	2.31	31.2	(21.4)
Vehicle Quota Premiums	5.42	5.65	6.86	26.5	21.4
Betting Taxes	2.72	2.72	2.69	(1.1)	(1.2)
Stamp Duty	2.77	2.52	2.94	6.2	16.5
Other Taxes	5.88	6.33	6.11	3.9	(3.5)
Other Fees and Charges	3.25	3.32	3.13	(3.6)	(5.6)
Others	0.50	0.30	0.50	(0.4)	66.7
Less:					
TOTAL EXPENDITURE	67.45	73.43	71.39	5.8	(2.8)
Operating Expenditure	48.09	54.43	52.68	9.5	(3.2)
Development Expenditure	19.36	19.00	18.71	(3.4)	(1.6)
PRIMARY SURPLUS / DEFICIT¹	(2.62)	(4.99)	(2.72)		
Less:					
SPECIAL TRANSFERS²	10.37	6.27	6.47	(37.6)	3.2
Special Transfers Excluding Top-ups to Endowment and Trust Funds	4.37	2.67	2.87		
GST Voucher Special Payment ³	0.30	0.28	0.28		
Service and Conservancy Charges Rebates	0.08	0.09	0.09		
CPF Medisave Top-ups	0.09	0.10	0.10		
Productivity and Innovation Credit	0.90	0.66	0.98		
Productivity and Innovation Credit Bonus	0.17	0.02	0.01		
Temporary Employment Credit	0.70	0.73	0.78		
Wage Credit Scheme	1.90	0.79	0.63		
Other Transfers ⁴	0.22	0.01	0.01		
BASIC SURPLUS / DEFICIT⁵	(6.99)	(7.66)	(5.59)		
Top-ups to Endowment and Trust Funds	6.00	3.60	3.60		
Special Employment Credit Fund	0.50	1.10	1.10		
National Research Fund	1.00	1.50	1.50		
National Productivity Fund	1.50	-	-		
Changi Airport Development Fund	3.00	1.00	1.00		
Add:					
NET INVESTMENT RETURNS CONTRIBUTION	8.94	14.70	14.37	60.7	(2.3)
OVERALL BUDGET SURPLUS / DEFICIT	(4.05)	3.45	5.18		

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 including Top-ups to Endowment and Trust Funds.

³ The GST Voucher Special Payment committed in Budget 2015 comprises the GST Voucher – Seniors' Bonus. The GST Voucher Special Payment committed in Budget 2016 comprises the GST Voucher – Cash Special Payment.

⁴ Consists of SME Cash Grant, Growth Dividends, GST Credits, Top-ups to Child Development Accounts and Post-Secondary Education Accounts, SG50 Giving, and funding for Self-Help Groups and Voluntary Welfare Organisations.

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