



**Singapore Budget
2025
Synopsis**

Singapore Budget 2025

Celebrating SG60

“A Budget for All Singaporeans”

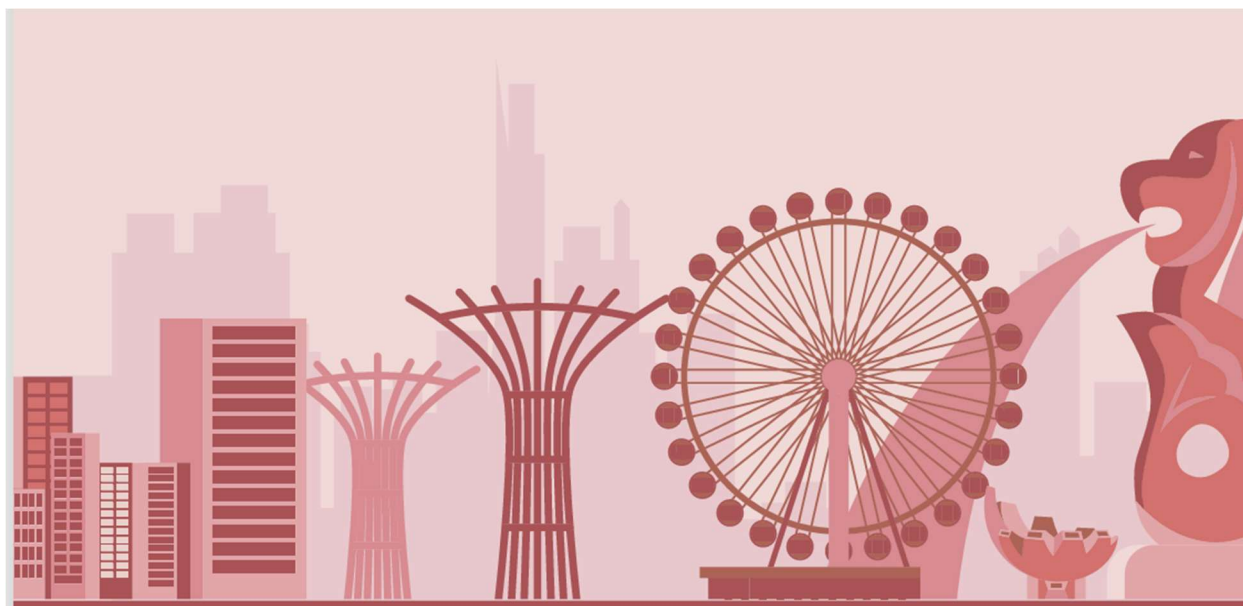
- Onward Together For A Better Tomorrow

Prime Minister Lawrence Wong presented the Singapore Budget 2025, emphasizing the nation's 60th year of independence and the resilience of generations of Singaporeans in building the country. Reflecting on historical challenges, he noted how Singapore transformed vulnerabilities into strengths and established itself as an open hub for commerce and diplomacy. Today, Singapore faces new global challenges such as economic and trade barriers, but it is well-prepared with a strong and diversified economy, a skilled workforce, robust defence, and a united national identity.

Despite uncertainties, Singapore has bounced back strongly from the COVID-19 pandemic, with a 4.4% economic growth, wage increases outpacing inflation, and income inequality at its lowest since 2000. The Budget 2025 aims to build on this momentum, address today's challenges, and secure the future by focusing on cost pressures, advancing growth, equipping workers, building a sustainable city, and nurturing a caring and inclusive society.

The Budget 2025 is designed for all Singaporeans and shaped with their input, advancing the Forward Singapore agenda. It aims to rally the nation to navigate global uncertainties and move forward together as one united people. Key areas of focus include tackling cost pressures, fostering innovation, expanding access to clean energy, and ensuring workers have the skills to realize their full potential, ultimately building a better and greener future for all.





Key Takeaways from Budget 2025

RISING COSTS	
CDC Vouchers	\$800 worth of CDC vouchers for every Singaporean household, with \$500 disbursed in May 2025 and \$300 in January 2026.
U-Save Rebates	Up to \$760 in additional U-Save rebates for eligible Singaporean HDB houses, disbursed quarterly in FY2025.
LifeSG Credits	\$500 in LifeSG credits for each Singaporean child aged 12 and below this year.
Edusave Account or Post-Secondary Education Account	\$500 top-up for all Singaporean children aged 13 to 20.
Pensioner Payments	Ex-gratia payment for pensioners raised to \$390, with the monthly pension ceiling increased to \$1,320.

SG60 PACKAGE	
SG60 Vouchers	\$600 for all Singaporeans aged 21 to 59, and \$800 for seniors aged 60 and above, disbursed in July.
SG Culture Pass	\$100 worth of credits for Singaporeans aged 18 and above, valid until the end of 2028.

Rental Support for Hawkers	One-time rental support of \$600 and \$1b allocated to upgrade/build hawker centres over the next 20-30 years.
SG60 ActiveSG Credits	\$100 for all active members to enjoy sports.
Cultural Matching Fund	\$100m top-up and extended for five years, with an additional \$270m for fundraising programmes.

FAMILY SUPPORT	
Fresh Start Housing Scheme	Grant increased to \$75,000 from \$50,000 for new standard 2-room flexi or standard 3-room flats on a shorter lease.
Childcare Fee Caps	Reduced full-day childcare fee caps.
Large Families Scheme	<ol style="list-style-type: none"> \$5,000 increase in Child Development Account First Step Grant for each third and subsequent child born from 18 Feb 2025; \$5,000 Large Family MediSave Grant to mothers' MediSave accounts for each third and subsequent child born from 18 Feb 2025; \$1,000 Large Family LifeSG Credits annually to families for each third and subsequent child, in the years the child turns 1 to 6.

SILVER ECONOMY	
Enhancement for Active Seniors (EASE)	Extended for three years until 2028 for seniors in private properties.
Matched MediSave Scheme	Five-year scheme with dollar-for-dollar matching of up to \$1,000 annually for eligible lower-income seniors aged 55 to 70. The scheme will start in 2026.
Homecare Giving Grant	Raised to \$600 per month (previously \$400).

REAL ESTATE	
New Flats	Over 50,000 new flats to be launched over the next three years in areas like Woodlands, Bayshore, and Mount Pleasant.
Short-Wait BTO Flats	HDB will launch 3,800 flats with a waiting time of under three years in 2025, making up 20% of the year's BTO supply.

TAXES	
Corporate Income Tax Rebate	50% corporate income tax rebate for the Year of Assessment 2025, with a minimum benefit of \$2,000 for active companies with at least one local employee in 2024. Total benefit capped at \$40,000.
Personal Income Tax Rebate	60% personal income tax rebate for the Year of Assessment 2025 for all tax residents, capped at S\$200.

WAGES	
Progressive Wage Credit Scheme	Government will raise co-funding levels for wage increases from 30% to 40% in 2025, and from 15% to 20% in 2026.

TECH AND INNOVATION	
Semiconductors	Singapore produces over 80% of the world's supply of DNA chips and supplies more than 10% of global semiconductor chips.
Investment in R&D	\$1.5b investment in a national semiconductor R&D fabrication facility.
National Productivity Fund	\$3b top-up announced for the National Productivity Fund.
Global Founder Programme	EDB to launch a global founder programme later this year.
Enterprise Compute Initiative	\$150m allocated to support AI adoption among businesses.

STOCK MARKET	
Tax Incentives	<p>Tax incentives for Singapore-based companies and fund managers that list locally and expand their economic activities. Incentives for fund managers making sustainable investments in Singapore-listed companies.</p> <ol style="list-style-type: none"> Corporate Income Tax Rebate: Companies and registered business trusts that are tax residents in Singapore will receive a rebate. Primary listings will get a 20% rebate, while secondary listings will receive a 10% rebate. The rebates are capped at S\$6 million per year for companies with a market cap of at least S\$1 billion, and S\$3 million per year for those with a market cap of less than S\$1 billion;

	<p>2. Enhanced Concessionary Tax Rate (CTR): New fund managers who list in Singapore will benefit from a 5% CTR on their qualifying income. This is provided they or their holding company get a primary listing on the Singapore Exchange (SGX) and remain listed for five years; and</p> <p>3. Corporate Tax Exemption: Fund managers investing substantially in Singapore-listed equities will receive a tax exemption on their qualifying income. New funds must have at least 30% of their assets under management (AUM) invested in Singapore-listed equities, while existing funds need to meet the same requirement and have annual net inflows equivalent to at least 5% of the fund's AUM in the preceding year</p>
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TRANSPORT	
Changi Airport Development Fund	\$5b top-up for the Changi Airport Development Fund.
Rail Network	\$6b commitment to upgrade the rail network, plus \$1b for bus services through the Bus Connectivity Enhancement Programme.

ENERGY	
Electricity Imports	By 2025, one-third of projected electricity demand to be met through imports.
Domestic Clean Power	Close monitoring of nuclear energy developers and exploration of potential nuclear power deployment.
Future Energy Fund	\$5b top-up for the Future Energy Fund.

WORKFORCE	
SkillsFuture Credits	All Singaporeans aged 40 and above will receive \$4,000 in SkillsFuture credit.
Training Allowances	Up to \$3,000 per month for selected full-time courses and \$300 monthly allowance for part-time training from 2026.
Workfare Skills Support Scheme	Enhanced tier of support for lower-wage workers turning 30.
SkillsFuture Workforce Development Grant	Consolidation of existing schemes with funding support of up to 70% for job redesign activities.

SkillsFuture Enterprise Credit	New design with at least \$10,000 credit for companies with three or more resident employees, accessible from the second half of 2026.
NTUC Company Training Committees	\$200m injected into NTUC's CTC grant.
SkillsFuture Jobseeker Support Scheme	Financial support of up to \$6,000 over six months, starting in April 2025..
Senior Employment Credit	Extended by one year until the end of 2026.
CPF Contribution Rates	For those aged 55 to 60 , the employee CPF contribution rate will increase by 1 percentage point to 18% , and the employer contribution rate will increase by 0.5 percentage point to 16% For those aged 60 to 65 , both the employee and employer CPF contribution rates will increase by 1 percentage point to 12.5% each
Uplifting and Enabling Employment Credits	Extended until the end of 2028.

EDUCATION	
Singapore University of Social Sciences	Support for developing a new city campus.
Singapore University Trust	Extended by 10 years until 31 March 2042.

SUSTAINABILITY	
Heavy Vehicle Zero Emissions Scheme	Incentives for electric heavy vehicles and co-funding of charging infrastructure.
Road Tax for Electric Vehicles	Additional Flat Component (AFC) of Road Tax: To maintain parity with usage charges for internal combustion engine (ICE) heavy vehicles, an AFC will be introduced. This will be phased in over three years starting from January 2026 and fully implemented by January 2028 ¹ . The AFC will be set at S\$250 per year for electric heavy goods vehicles, S\$190 per year for electric minibuses, and S\$550 per year for large electric buses

CLIMATE RISKS	
Coastal and Flood Protection Fund	\$5b top-up for the fund.
Climate Vouchers	Additional \$100 worth of climate vouchers for HDB households starting April 2025.

FISCAL OVERVIEW

The Government anticipates maintaining a roughly balanced financial position until 2030, with spending expected to increase to 20% of GDP by around 2030. Revenue collections for FY2024 surpassed expectations, with corporate income tax being the largest contributor. The fiscal year is projected to end with a surplus of \$6.4 billion, or 0.9% of GDP. A similar fiscal position is expected in 2025, with a surplus of \$6.8 billion, or 0.9% of GDP.

ECONOMIC OUTLOOK

Prime Minister Lawrence Wong stated that Singapore's GDP is projected to grow between 1% and 3% this year, with inflation expected to average between 1.5% and 2.5%.

Thank You



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