

Supplementary Budget 2020

Solidarity Budget for the Circuit Breaker Period

6 April 2020

It's unprecedented times, Singapore has its 3rd Budget within a span of two months! On 6 April 2020, Deputy Prime Minister and Minister for Finance Mr Heng Swee Keat delivered a Ministerial Statement in Parliament on additional support measures for businesses and their workers, households and vulnerable groups, to better cope with the upcoming elevated set of safe distancing measures aimed at curbing spike in local transmission of COVID-19.

Putting in place a "circuit breaker", Singapore will close schools and most workplaces and severely limit social interactions and movement outside homes from 7 April until 4 May. Recognising the circuit breaker will impact businesses, workers and households, the Government will devote S\$5.1 billion to support them during this temporary period of heightened measures by addressing their immediate needs – cash, cost, and credit.

ENHANCED JOB SUPPORT SCHEME

To help firms retain their employees, for the month of April, firms of all sectors will be entitled to a wage subsidy of 75% on the first S\$4,600 of monthly wages, for each Singaporean/Permanent Resident i.e. local employee. The first payout will be made to employers in April 2020.

Firms will receive the wage subsidy automatically on the wages of each local employee for whom mandatory Central Provident Fund (CPF) contributions were made:

Payout	Date of Payment	Food services	Other (excluding aviation, tourism, food services ¹)
		Computation of Payout for the first \$4,600 of gross monthly wages	
Payout 1	Apr 2020	+75% of Oct 2019 wages +50% of Nov 2019 wages +50% of Dec 2019 wages	+75% of Oct 2019 wages +25% of Nov 2019 wages +25% of Dec 2019 wages
Payout 2	Jul 2020	+50% of Feb 2020 wages +50% of Mar 2020 wages +(75% of Apr 2020 wages - 25% of Oct 2019 wages ²)	+25% of Feb 2020 wages +25% of Mar 2020 wages + (75% of Apr 2020 wages, - 50% of Oct 2019 wages ²)
Payout 3	Oct 2020	+50% of May 2020 wages +50% of Jun 2020 wages +50% of Jul 2020 wages	+25% of May 2020 wages +25% of Jun 2020 wages +25% of Jul 2020 wages

¹ Aviation and tourism sectors will continue to receive 75% wage support on the first S\$4,600 of gross monthly wages for local workers for all applicable months.

² If Payout 2 is insufficient to make this adjustment, the outstanding amount will be adjusted through Payout 3.



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EASING LABOUR COSTS

Employers who hire foreign workers on work permits and S-passes will enjoy waiver of monthly Foreign Worker Levy due in April. In addition, employers will receive a Foreign Worker Levy rebate of S\$750 for each work permit or S-pass holder, based on previous levies paid in 2020, by as early as 21 April 2020.

FURTHER SUPPORT ON RENTAL COSTS

COVID-19 (Temporary Measures) Bill will be introduced to allow businesses and individuals defer rent payment, loan repayment, or work completion, for a period.

The Government will increase rental waiver for industrial, office and agricultural tenants of government agencies to one month, up from half-month's rental waiver announced previously.

ENSURE PASS-THROUGH OF PROPERTY TAX REBATE

As announced under the Resilience Budget, the following property tax rebate would be available for 2020:

- ▶ 100% rebate for qualifying commercial properties which include hotels, serviced apartments, tourist attractions, shops and restaurants
- ▶ 60% rebate for the Integrated Resorts
- ▶ 30% rebate for other non-residential properties

COVID-19 (Temporary Measures) Bill will ensure that property owners pass on Property Tax Rebate in full, to tenants.

ENHANCED FINANCING SUPPORT

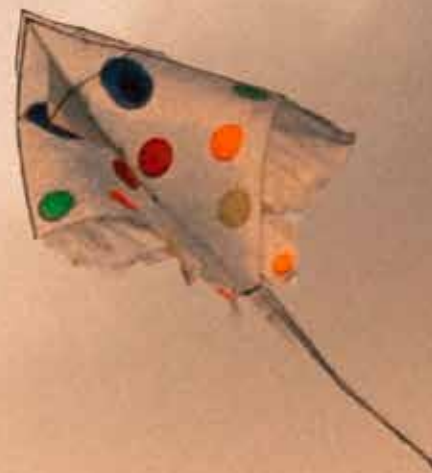
The Government's risk share of loans made under the Temporary Bridging Loan Programme, Enterprise Financing Scheme – SME Working Capital Loan and Enterprise Financing Scheme – Trade Loan will be increased from 80% to 90% for loans initiated from 8 April 2020 until 31 March 2021.

EXTENSION OF TAX FILING DEADLINES

In addition to the above, the Inland Revenue Authority of Singapore (IRAS) is providing an automatic extension of tax filing deadlines for individuals and businesses in view of the circuit breaker measures:

	Tax	Existing deadline	Extended deadline
1.	Income tax for individuals (including sole proprietors and partnerships)	18 April 2020	31 May 2020
2.	Income tax for Trusts, Clubs and Associations	15 April 2020	
3.	Estimated chargeable income for companies with financial year ending 31 Jan 2020	30 April 2020	
4.	GST returns for accounting period ending March 2020	30 April 2020	11 May 2020
5.	S45 withholding tax forms due in April 2020	15 April 2020	15 May 2020
6.	Tax clearance for foreign employee in April 2020	-	One additional month

Taxpayers requiring assistance may connect with IRAS digitally where possible, or make an appointment two working days in advance for Counter Services.



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