

Singapore

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Budget 2025: Onward Together For A Better Tomorrow

- Budget 2025 hit many high notes. There was a pre-election goodies galore, while not forgetting the medium-term economic strategies for driving future growth. With a good mix of short-term sweeteners and medium-term measures, this marks a focal point for the 4G leadership under PM Wong as Singapore prepares for a more uncertain future.
- Interestingly, this was probably one of those rare budgets with all carrots and no sticks. Notably, there were no property cooling measures, or wealth taxes or sin taxes.
- The FY2025 fiscal position remains strong, with a projected \$6.8 bn surplus (equivalent to 0.9% of GDP), the largest since FY2017, while managing to fulfil most of the “wishlists” for households, workers and businesses. This also leaves substantial dry fiscal powder on the table just in case downside growth risks materialise.

Touted as a pre-election budget, expectations for Budget 2025 are running high. Titled “Onward Together For A Better Tomorrow”, indeed, PM Lawrence Wong’s Budget 2025 hit the right and high notes. Notwithstanding widespread market expectation for a FY25 fiscal deficit, after factoring in the higher Net Investment Returns Contribution (NIRC), the overall fiscal position surprised with a \$6.8 bn surplus (equivalent to 0.9% of GDP), the largest since FY2017, while managing to fulfil most of the “wishlists” for households, workers and businesses. This follows a FY2024 fiscal outturn of \$6.4 bn (0.9% of GDP) which is close to our expectations. This also leaves substantial dry fiscal powder on the table just in case downside growth risks materialise.

FY2025 Budget catered to all Singaporeans by strengthening social support for families, seniors and those with disabilities, but also prepares for the future by investing \$1 bn in the National Productivity Fund, \$5 bn each in the Changi Airport Development Fund and the Future Energy Fund to position for 2-3% growth over the next decade. Singapore’s competitive strength in semiconductor and biotech/medtech domains will also be strengthened.

The key highlights of Budget 2025 are as follows:

Households

Helping households to cope with elevated cost of living challenges has remained a key priority. Indeed, the government has introduced and/or expanded numerous measures to support households. Tapping on existing CDC voucher

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scheme, eligible Singaporean households will receive \$800 in vouchers. However, this will be split into two tranches with the first \$500 to be disbursed in May 2025 and the remaining \$300 to be disbursed in January 2026. Meanwhile, eligible HDB households will receive additional U-Save rebates of up to \$760 to help cope with their utilities expenses.

Additional supports are more targeted. Lower-and-middle-income households will benefit from a Personal Income Tax (PIT) rebate. A PIT rebate of 60%, capped at \$200 for Year of Assessment (YA) 2025 will be provided. For lower-income households, the government has increased the rates for the ComCare Assistance schemes to better support their basic living expenses. Additionally, eligible pensioners will stand to receive higher ex-gratia payouts.

For the silver generation, further measures were provided to strengthen the retirement nest for elderly Singaporeans. In particular, the CPF contribution rate for senior workers will be increased by 1.5pp in 2026. Additionally, the government introduced a new five-year matched Medisave scheme for eligible lower-income seniors which will see a dollar-to-dollar matching grant, of up to \$1,000 annually. This too will be available in 2026. Overall, these pipelines of measures will provide more assurance to our seniors.

To tackle the declining Total Fertility Rate which fell to a record low of 0.97 in 2023, more measures were introduced for families with children - for instance \$500 LifeSG credits will be credited to parents for each Singaporean child aged 12 and below in their family, while those children aged above 13 will get a \$500 top-up to their Edusave or PSEA accounts. Additionally, there were reductions to full-day childcare fee caps to further defray costs to lower-and-middle income families. Overall, the cost-of-living measures were comprehensive.

What was novel was the introduction of Large Families Scheme to encourage aspiring parents to have three or more children. This consists of three components for each third and subsequent Singapore child: First, a \$5,000 increase to the existing Child Development Account First Step Grant to a total of \$10,000. Second, a \$5,000 top-up to the mother's MediSave account. Third, a \$1,000 annual disbursement of LifeSG credits for the first six years. Indeed, these measures build upon ongoing efforts to encourage parenthood and build families which are the bedrock of society.

On housing, the government remains committed in supporting the social compact with enhancements to the Fresh Start Housing Scheme. Eligible families will now receive a larger grant of \$75,000 (previous: \$50,000) to purchase a new Standard 2-room Flexi or Standard 3-room flat on a shorter lease. Meanwhile, first-timer families with children living in public rental flats will be allowed to buy shorter-lease subsidised flats through the scheme. Overall, these will help to narrow aspiration of families seeking to attain a home.

Marking SG60 celebrations, all Singapore Citizen babies born in 2025 will be given an SG60 baby gift. The details will be revealed at a later date. An SG60 package was also introduced as the government sought to share the fruits of labour. Eligible Singaporeans will receive SG60 vouchers valued at \$600, with

Singaporean seniors (aged 60 and above) receiving a larger quantum of \$800. This will be disbursed by July 2025.

Empowering Businesses for Growth and Success and Equipping Workers

Budget 2025 is also quite favourable to corporate and businesses. The budget offers a 50% corporate income tax rebate for YA2025 capped at \$40,000. For any active company that employs at least one local employee the previous year, they would receive a minimum benefit of \$2000. To alleviate rising business costs, the Progressive Wage Credit Scheme was also expanded, where Government's co-funding levels for wage increases is increased from 30% in 2025 to 40%, and from 15% in 2026 to 20%.

For businesses to thrive, investment in technology is imperative in advancing their competitiveness and productivity. Companies can implement solutions such as AI-powered analytics and digital marketing tools to improve business operations. To promote further adoption, Budget 2025 introduced a new \$150 million Enterprise Compute Initiative which will connect eligible enterprises with leading major cloud service providers, granting them access to AI tools, computing resources and expert consulting services.

To equip workers with the skills of tomorrow, further enhancements to SkillsFuture were made. Individuals aged 40 and above who are in mid-career stages in Singapore can apply for a monthly full-time training allowance of up to \$3,000. For those seeking part-time training, a support allowance of \$300 is available to encourage lifelong learning across various fields. Workers earning lower wages stand to gain significantly from extended training programs that deliver in-depth reskilling and upskilling. To help these individuals to access such opportunities, the government has implemented an enhanced support tier within the Workfare Skills Support initiative.

For enterprises, the SkillsFuture Enterprise credit has been redesigned to function like an online wallet, allowing employers to conveniently monitor their available credits. Companies can now use these credits to offset their out-of-pocket expenses for qualifying workforce transformation initiatives and courses, rather than having to wait for reimbursement. Additionally, in the latter half of 2026, \$10,000 worth of revamped SkillsFuture Enterprise Credit that will expire in 3 years will be granted to all companies that have a minimum of three resident employees.

Elsewhere, the Budget 2025 will increase NTUC's Company Training Committees (CTC) grant by \$200 mn to establish more CTCs and broaden the grant's scope to support employer-driven training that results in formal qualifications or certifications.

Apart from upskilling and reskilling the labour force, focus has been made to the increasing proportion of more senior workers in the workforce. The Senior Employment Credit (SEC) which offer wage subsidies to employers who hire Singaporean seniors aged 60 and older, with monthly earnings below \$4,000 will be extended to end-2026. To align with the increased re-employment age, the eligible age for the highest SEC wage support tier is raised to 69 years old, from

the previous 68 years old. Companies will receive a reimbursement from the government of up to 7% of the wages they pay to employees aged 69 and above.

Economic Strategies to Secure Singapore's Future Growth

Budget 2025 also unveiled economic development strategies to enhance technology and innovation engines, which are key pillars of economic growth. In pursuit of competitiveness, the government has pledged to top up the National Productivity Fund by \$3 bn. There are also development plans for the biotech and semiconductor clusters. The government plans to refresh the research infrastructure of public biosciences and medtech, and develop a new national semiconductor R&D fabrication facility. These developments will cost ~\$1 bn and will provide state-of-the-art access for researchers to test out new innovations, while fostering closer collaboration.

Apart from industrial strategies, the government also aspires to strengthen the enterprise ecosystem. Existing support schemes for internationalisation and for M&A activities will be further extended. A new \$1 bn Private Credit Growth Fund was also introduced to allow additional financing options to high-growth local enterprises. Elsewhere, measures were also adopted to strengthen the attractiveness of our equity market. To that end, the government has rolled out various tax incentives to encourage investments into our domestic capital markets.

In recognising our strength as a key aviation node, the government has made further top ups to the Changi Airport Development Fund. The \$5 bn will ensure sufficient resources are set aside for development. To maintain our strategic strength as a key air hub, the government will provide a guarantee to Changi Airport Group. Essentially, this will help lower borrowing costs and provide a more efficient use of funds to development of supporting infrastructure in the region.

Social Strategies to Ensure No One is Left Behind

Concrete steps were also developed for social mobility and provide more assurance for people across different spectrum of needs. To encourage hiring of ex-offenders, the government has extended the Uplifting Employment Credit to end-2028. For seniors, the government recognise the potential for long-term care. As such, they have enhanced the subsidies for long-term care services and maximum qualifying per capital household income for eligible households. Understandably, the government also raised the subsidies provided under the Seniors' Mobility and Enabling fund and enhanced the Home Caregiving Grant to defray rising costs of home healthcare items. Importantly, the EASE program is now extended to those living in private properties.

For Persons with Disabilities (PWD), the government will continue to invest and build upon existing foundations. The government will provide a dollar-for-dollar matching grant top-ups by lower-and-middle-income care givers to trust accounts (up to \$10,000). At the same time, the Enabling Employment Credit will be further extended to end-2028 to encourage employment of PWD while providing businesses with some offsets to their wages.

Elsewhere, there are also support measures for the arts, culinary, and sports scene. A SG culture pass was introduced in Budget 2025. \$100 credits will be made available to eligible Singaporeans from September 2025. This will be valid for three years (end-2028) and be eligible for local arts and heritage activities. In tandem, we will also be celebrating our hawker culture. The government will provide a one-time rental support of \$600 to stallholders managed by Government and Government-appointed operators as form of appreciation. Additionally, the government has pledged to allocate up to \$1 bn over the next twenty to thirty years to enhance hawker centres. A \$100 SG60 Active SG credits will be provided to all ActiveSG members to enjoy sports collectively.

To foster a “spirit of giving”, the government has announced various top-ups, including the Cultural Matching Fund that will receive a \$100 million top-up and extended through to the end of Financial Year 2029. Similarly, an extra \$270 million will be allocated for the Enhanced Fund-Raising Programme, which provides dollar-for-dollar matching grants for the fundraising activities of charities registered in Singapore. This programme will also be extended for three years, lasting until the end of 2027. A new \$250 million SG Gives matching grant is introduced that will provide a one-to-one match for donations made through these platforms.

Sustainability

The industries of the future can be highly emissions-intensive, making it critical to support them in transitioning towards a low-carbon future. To meet Singapore’s growing energy needs while also achieving its climate targets, PM Wong has highlighted that accessibility to clean power is a “major national imperative.”

Going nuclear? Singapore is making good progress in low-carbon cross-border electricity trade within the region, with electricity imports expected to make up around a third of the country’s energy needs by 2035. Beyond imports, Singapore has long considered the role of nuclear energy in ensuring greater energy resilience. As there have been significant interest and advancements in nuclear technologies in recent years e.g. small modular reactors (SMRs), Singapore has plans to proactively study the potential deployment of nuclear power in Singapore and develop further capabilities in this area, with the aim of including nuclear energy in its energy mix. SMRs are advanced nuclear reactors that have been thought to be suitable for Singapore, as they are compact systems that can be installed in populated urban areas because of their smaller footprint. In addition, SMRs have better safety features than conventional reactors.

As international cooperation in this area is important, Singapore has signed agreements with the US on civil nuclear cooperation and is working on similar collaborations with other countries that have expertise in this field. In the region, there may also be collaborations with Malaysia and Indonesia that have some experience in nuclear technologies, as they have operated research reactors for several decades. This includes the TRIGA PUSPATI Reactor (RTP) operated by the Malaysian Nuclear Agency that started its operation in 1982.

In addition, the \$5 bn top-up to the Future Energy Fund can support infrastructural upgrades and developments to secure clean power for Singapore and further explore more low-carbon alternatives. As PM Wong pointed out challenges associated with the production, storage and transportation of low-carbon hydrogen in Singapore, these funds can be utilised to further explore how to scale up low-carbon hydrogen in a commercially viable manner.

Summary

Budget 2025 is a budget for all Singaporeans and marks a focal point for the 4G leadership as Singapore prepares for a more uncertain future. Building on the ideas and contributions of all Singaporeans, several of the announced measures are an extension of the Forward SG exercise, which focused on key needs like opportunities for skills upgrading and jobs for workers, supporting Singaporeans across all spectrums of life stage, as well as strengthening a sense of solidarity and unity. Sticking to the ethos of fiscal discipline, these pillars are pivotal in reshaping our economy and strengthening social compact, amidst shifts to a more complex world with unpredictable policy outcomes. At this juncture, there is no imminent recessionary risks, so a cautious fiscal stance is adopted which leaves substantial dry fiscal powder to ward off any downside growth risks if the need arises.

Table 3.1a: Overall Fiscal Position for FY2019 to FY2025 (\$ million)

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024 (Revised)	FY2025 (Estimated)
Operating Revenue	74,274	67,376	82,487	91,015	103,442	116,622	122,778
Tax Revenue	67,645	61,408	74,761	82,708	94,329	104,750	110,329
Fees and Charges	6,275	5,479	6,828	7,710	8,548	11,122	11,680
Others	354	489	898	598	565	750	769
Total Expenditure	75,337	86,366	94,796	104,855	105,314	112,912	123,791
Operating Expenditure	58,667	72,936	78,543	84,438	83,829	89,554	97,031
Development Expenditure	16,671	13,430	16,253	20,417	21,485	23,359	26,760
Primary Surplus / Deficit	(1,063)	(18,989)	(12,310)	(13,840)	(1,872)	3,709	(1,013)
Special Transfers¹	15,129	50,822	6,828	8,941	27,071	25,117	23,378
Special Transfers Excluding Top-ups to Endowment and Trust Funds	1,561	33,502	6,828	2,691	2,751	3,067	3,778
Basic Surplus / Deficit	(2,625)	(52,491)	(19,138)	(16,532)	(4,624)	642	(4,791)
Top-ups to Endowment and Trust Funds	13,568	17,320	-	6,250	24,320	22,050	19,600
Net Investment Returns Contribution	17,038	18,244	20,365	22,376	22,974	24,025	27,136
Overall Budget Surplus / Deficit	845	(51,567)	1,227	(405)	(5,970)	2,617	2,744
Add:							
Capitalisation of Nationally Significant Infrastructure	-	-	654	2,210	3,648	4,172	4,630
Less:							
Depreciation of Nationally Significant Infrastructure	-	-	-	-	-	-	-
SINGA Interest Costs and Loan Expenses ²	-	-	0	89	226	376	561
Overall Fiscal Position	845	(51,567)	1,880	1,716	(2,548)	6,413	6,814

Note: Figures may not add up due to rounding. Negative figures are shown in parentheses.

¹ Special Transfers include Top-ups to Endowment and Trust Funds.

² SINGA Interest Costs and Loan Expenses include the annual effective interest costs (which is computed based on the yield to maturity multiplied by the face value of the bond) and other ancillary loan expenses incurred in connection with the SINGA. It excludes principal repayment and transfer of loan discount to Development Fund. It is different from the Debt Servicing and Related Costs presented in the Expenditure Estimates and Annex to Expenditure Estimates for Head Y.

Source: MOF

	Revised	Estimated	Change Over Revised FY2024	
	FY2024	FY2025	\$billion	%change
OPERATING REVENUE	116.62	122.78	6.16	5.3
Corporate Income Tax	30.88	32.67	1.79	5.8
Personal Income Tax	18.96	20.23	1.27	6.7
Withholding Tax	2.28	2.40	0.12	5.1
Statutory Boards' Contributions	0.64	0.41	(0.23)	(36.5)
Assets Taxes	6.70	6.89	0.19	2.9
Customs, Excise and Carbon Taxes	3.45	4.04	0.59	17.1
Goods and Services Tax	20.61	21.73	1.12	5.5
Motor Vehicle Taxes	2.51	2.57	0.05	2.1
Vehicle Quota Premiums	6.54	6.60	0.06	0.9
Betting Taxes	3.23	3.29	0.06	2.0
Stamp Duty	6.36	5.92	(0.44)	(6.9)
Other Taxes ¹	9.12	10.17	1.05	11.5
Fees and Charges (Excluding Vehicle Quota Premiums)	4.58	5.08	0.50	10.8
Others	0.75	0.77	0.02	2.5
Less:				
TOTAL EXPENDITURE	112.91	123.79	10.88	9.6
Operating Expenditure	89.55	97.03	7.48	8.3
Development Expenditure	23.36	26.76	3.40	14.6
PRIMARY SURPLUS / DEFICIT	3.71	(1.01)		
Less:				
SPECIAL TRANSFERS²	25.12	23.38	(1.74)	(6.9)
Special Transfers Excluding Top-ups to Endowment and Trust Funds	3.07	3.78		
SG60 Vouchers	-	2.02		
CDC Voucher	0.78	1.06		
Other Transfers ³	2.29	0.69		
BASIC SURPLUS / DEFICIT	0.64	(4.79)		
Top-ups to Endowment and Trust Funds	22.05	19.60		
Changi Airport Development Fund	-	5.00		
Coastal and Flood Protection Fund	-	5.00		
Future Energy Fund	5.00	5.00		
National Productivity Fund	2.00	3.00		
National Research Fund	1.80	1.50		
Other Funds ⁴	13.25	0.10		
Add:				
NET INVESTMENT RETURNS CONTRIBUTION	24.02	27.14	3.11	12.9
OVERALL BUDGET SURPLUS / DEFICIT	2.62	2.74		
Add:				
CAPITALISATION OF NATIONALLY SIGNIFICANT INFRASTRUCTURE	4.17	4.63	0.46	11.0
Less:				
DEPRECIATION OF NATIONALLY SIGNIFICANT INFRASTRUCTURE	-	-	-	n.a.
SINGA INTEREST COSTS AND LOAN EXPENSES⁵	0.38	0.56	0.19	49.3
OVERALL FISCAL POSITION	6.41	6.81		

Source: MOF, Annex H1

Table 1: CDC Vouchers

Disbursement Month	CDC Vouchers per Singaporean Household	Expiry Date
May 2025	\$500	31 Dec 2025
Jan 2026	\$300	31 Dec 2026
Total	\$800	

Table 2: U-Save in FY 2025

HDB Flat Type	April 2025		July 2025		October 2025		January 2026		Total U-Save for FY 2025
	Regular U-Save	COL U-Save	Regular U-Save	AP U-Save	Regular U-Save	COL U-Save	Regular U-Save	AP U-Save	
1- and 2-room	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$760
3-room	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$680
4-room	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$600
5-room	\$65	\$65	\$65	\$65	\$65	\$65	\$65	\$65	\$520
Executive / Multi-gen	\$55	\$55	\$55	\$55	\$55	\$55	\$55	\$55	\$440

Notes:

1. The amount for COL U-Save includes the additional \$20 of U-Save per quarter from the \$1.1 billion COL Package announced in September 2023, to cushion the impact of higher utilities bills in 2024 and 2025 from increases in carbon tax and water price.
2. If the flat is partially rented out or not rented out, there must be at least one Singaporean owner or occupier in the household to be eligible for U-Save. If the entire HDB flat is rented out, there must be at least one Singaporean tenant.
3. Households whose members own more than one property are not eligible for U-Save.

Source: MOF, Annex B1

Table 3: Adjustments to LTA Rates

Household Size	Current	New
1-person	\$640	\$760 (+\$120)
2-person	\$1,080	\$1,250 (+\$170)
3-person	\$1,510	\$1,760 (+\$250)
4-person	\$1,930	\$2,230 (+\$300)
5-person	\$2,340	\$2,720 (+\$380)

Table 4: Adjustments to Singapore Allowance and Monthly Pension Ceiling

Singapore Allowance	Current	New
Monthly quantum	\$350	\$390 (+\$40)
Gross monthly pension ceiling	\$1,280	\$1,320 (+\$40)

Source: MOF, Annex B1

Table 1: Increase in PWCS Co-Funding Levels for Eligible Wage Increases from 2025 to 2026

Qualifying Year (i.e., year that wage increase was given)	Payout Period	Current	New
2025	1Q 2026	30%	40% (+10%-pt)
2026	1Q 2027	15%	20% (+5%-pt)

Source: MOF, Annex B2

Table 1: Listing CIT Rebate for New Corporate Listings in Singapore

Parameter	Details
Qualifying entities	Companies and registered business trusts that are tax residents in Singapore
Tax benefit	<p>Primary listings: 20% CIT rebate</p> <p>Secondary listings (with share issuance): 10% CIT rebate</p> <p>Subject to rebate cap of: (a) \$6 million per Year of Assessment (“YA”) for qualifying entities with market capitalisation of at least \$1 billion; or</p>

Parameter	Details
	(b) \$3 million per YA for qualifying entities with market capitalisation of less than \$1 billion
Minimum criteria	<p>Achieve a primary or secondary (with share issuance) listing on a Singapore exchange and remain listed for 5 years.</p> <p>Commit to incremental local business spending or fixed asset investments, and incremental skilled employment by the end of the award tenure.</p>
Award tenure	5 years per qualifying entity, non-renewable
Scheme duration	Open for award until 31 December 2027
Administering agency	Interested entities can approach EDB or EnterpriseSG to enquire for more details

Source: MOF, Annex C2

Table 2: Enhanced CTR for New Fund Manager Listings in Singapore

Parameter	Details
Qualifying entities	Singapore fund managers
Tax benefit	5% CTR on qualifying income
Minimum criteria	<p>Fund manager or its holding company achieves a primary listing on a Singapore exchange and remains listed for 5 years.</p> <p>Fund manager must distribute a portion of its profits as dividends.</p> <p>Fund manager must also meet minimum requirements for professional headcount and assets under management (“AUM”).</p>
Qualifying income	Fees earned from qualifying fund management and investment advisory activities under FSI-FM
Award tenure	5 years per fund manager, non-renewable
Scheme duration	Open for award until 31 December 2028
Administering agency	Interested fund managers can approach MAS to enquire for more details

Source: MOF, Annex C2

Table 3: Tax Exemption on Fund Managers’ Qualifying Income Arising from Funds Investing Substantially in Singapore-Listed Equities

Parameter	Details
Qualifying entities	Singapore fund managers
Tax benefit	Tax exemption on qualifying income
Minimum criteria	<p>Fund managers must meet minimum requirements for professional headcount and AUM, as currently required of FSI-FM companies.</p> <p>Qualifying funds must meet the following criteria:</p> <p>(a) <u>For new funds</u>: At least 30% of AUM invested in Singapore-listed equities</p> <p>(b) <u>For existing funds</u>:</p> <p>(i) At least 30% of AUM invested in Singapore-listed equities; and</p> <p>(ii) Annual net inflows (i.e., subscriptions less redemptions to fund) equivalent to at least 5% of fund’s AUM in the preceding year</p>
Qualifying income	Fees earned from fund management and investment advisory activities related to the qualifying funds (as defined in the minimum criteria)
Award tenure	5 years per fund managed by fund manager, non-renewable
Scheme duration	Open for award until 31 December 2028
Administering agency	Interested fund managers can approach MAS to enquire for more details

Source: MOF, Annex C2

Table 1: Details of the Enhanced Training Allowance under WSS

Component	Support Quantum
[New] Monthly TA for selected part-time courses	Fixed allowance of \$300 per month
[New] Monthly TA for selected full-time courses	50% of average income over latest available 12-month period
[Existing] Hourly TA	\$6 per hour, capped at 180 training hours per WSS eligibility period

Source: MOF, Annex D2

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Table 1: SEC Wage Support

Wage Support in 2025		Wage Support in 2026	
Age	Wage Support	Age	Wage Support
60-64	Up to 2%	60-64	Up to 2%
65-67	Up to 4%	65-68	Up to 4%
68 and above	Up to 7%	69 and above	Up to 7%

Table 2: EEC Wage Support

	Wage Support from 2026 to 2028
Permanent wage offset	Up to 20% of wages, capped at \$400/month per employee
Additional time-limited wage offset for persons with disabilities who have not been in work for at least six months	Up to 20% of wages for the first nine months, capped at \$400/month per employee

Source: MOF, Annex D3

Table 1: Current and Target CPF Contribution Rates (Employer + Employee) by Age Band

Age Band	2016–2021	Current CPF Contribution Rates (As of 1 January 2025)	By ~2030
55 and below	37.0%	No change	
Above 55 to 60	26.0%	32.5%	37.0%
Above 60 to 65	16.5%	23.5%	26.0%
Above 65 to 70	12.5%	16.5%	16.5%
Above 70	12.5%	No change	

Notes:

1. The timeline is subject to change, depending on prevailing economic conditions.
2. The CPF contribution rates are stated as a percentage of wages above \$750 per month.

Table 2: CPF Contribution Rates for Senior Workers from 1 January 2026

Age Band	CPF Contribution Rates from 1 January 2026			CPF Transition Offset for 2026
	Total	Employer	Employee	
55 and below	No change			
Above 55 to 60	34.0% (+1.5%-pt)	16.0% (+0.5%-pt)	18.0% (+1%-pt)	0.25%-pt
Above 60 to 65	25.0% (+1.5%-pt)	12.5% (+0.5%-pt)	12.5% (+1%-pt)	0.25%-pt
Above 65 to 70	No change (target contribution rates were reached in 2024)			
Above 70	No change			

Notes:

1. The CPF contribution rates are stated as a percentage of wages.
2. The percentage point figures in parentheses refer to the increase in CPF contribution rates from 1 January 2026, compared to contribution rates as of 1 January 2025.

Source: MOF, Annex D4

Table 1: Summary of Government Financial Support for Parents

Birth Order	Baby Bonus Scheme		MediSave Grant for Newborns	Large Family MediSave Grant	Large Family LifeSG Credits	Total Maximum Government Contribution ^[3]	
	Baby Bonus Cash Gift	Child Development Account					
		First Step Grant					Maximum Government co-matching
1 st Child	\$11,000	\$5,000	\$5,000 ^[1]	N.A.	N.A.	\$25,000	
2 nd Child						\$7,000	\$28,000
3 rd Child	\$13,000	\$10,000 (+\$5,000)		\$5,000 (+\$5,000)	\$6,000 ^[2] (+\$6,000)	\$48,000 (+\$16,000)	
4 th Child						\$9,000	\$48,000 (+\$16,000)
5 th Child & beyond						\$15,000	\$54,000 (+\$16,000)

Notes:

Figures in bold reflect amounts after introduction of LFS. Increases are indicated in parentheses.

^[1] Enhanced to \$5,000 for babies born from 1 April 2025.

^[2] \$1,000 annually per eligible child from ages one to six, i.e., \$6,000 in total per third and subsequent child.

^[3] From 1 April 2025 onwards.

Table 2: Top-Up to Edusave Account/PSEA

Age in 2025	Date of Birth (Inclusive of both dates)	Account Receiving Top-Up	Amount	Estimated Disbursement
13 - 16	Between 1 Jan 2009 to 31 Dec 2012	Edusave	\$500	July 2025
17 - 20	Between 1 Jan 2005 to 31 Dec 2008	PSEA		

Source: MOF, Annex F1

Table 1: Enhanced subsidies for residential LTC services

Monthly PCHI		Current Subsidy		Revised Subsidy		
		SC	PR	SC		PR
				Born in 1969 or earlier	Born after 1969	
PCHI = \$0	Annual Value (AV) ≤ \$21k	75%	50%	80%	75%	50%
	AV > \$21k	0%	0%	0%	0%	0%
\$900 and below		75%	50%	80%	75%	50%
\$901 to \$1,500		60%	40%			
\$1,501 to \$2,300		50%	30%	65%	60%	40%
\$2,301 to \$2,600		40%	20%	55%	50%	30%
\$2,601 to \$3,600		20%	10%	35%	30%	15%
\$3,601 to \$4,800		0%	0%	15%	10%	5%
\$4,801 and above				0%	0%	0%

Table 2: Enhanced subsidies for non-residential (home and community) LTC services

Monthly PCHI		Current Subsidy		Revised Subsidy		
		SC	PR	SC		PR
				Born in 1969 or earlier	Born after 1969	
PCHI = \$0	AV ≤ \$21k	80%	55%	95%	80%	55%
	AV > \$21k	0%	0%	0%	0%	0%
\$900 and below		80%	55%	95%	80%	55%
\$901 to \$1,500		75%	50%			
\$1,501 to \$2,300		60%	40%	85%	70%	45%
\$2,301 to \$2,600		50%	30%	75%	60%	35%
\$2,601 to \$3,600		30%	15%	55%	40%	20%
\$3,601 to \$4,800		0%	0%	35%	20%	10%
\$4,801 and above				0%	0%	0%

Source: MOF, Annex F3

Table 3: Current and Revised Monthly Payouts for HCG

Monthly PCHI		Current Monthly Payout	Revised Monthly Payout
PCHI = \$0	AV ≤ \$21k	\$400	\$600
	AV > \$21k	\$0	\$0
\$1,500 and below		\$400	\$600
\$1,501 to \$3,600		\$250	\$400
\$3,601 to \$4,800		\$0	\$200
\$4,801 and above			\$0

Note: Applicants with PCHI of up to \$4,800 and who own multiple properties will receive the lowest payout (i.e., monthly payouts of \$200), if they fulfil other criteria.

Table 4: Enhanced subsidies for SMF (Devices) and ATF

Monthly PCHI		Current Subsidy	Revised Subsidy	
		SC	SC	PR
PCHI = \$0	AV ≤ \$21k	90%	90%	60%
	AV > \$21k	0%	0%	0%
\$1,500 and below		90%	90%	60%
\$1,501 to \$2,600		75%	75%	50%
\$2,601 to \$3,600		0%	40%	20%
\$3,601 to \$4,800			20%	10%
\$4,801 and above			0%	0%

Table 5: Enhanced subsidies for SMF (Consumables)

Monthly PCHI		Current Subsidy	Revised Subsidy	
		SC	SC	PR
PCHI = \$0	AV ≤ \$21k	80%	80%	55%
	AV > \$21k	0%	0%	0%
\$900 and below		80%	80%	55%
\$901 to \$1,500				
\$1,501 to \$2,300		50%	70%	45%
\$2,301 to \$2,600			60%	35%
\$2,601 to \$3,600			40%	20%
\$3,601 to \$4,800		0%	20%	10%
\$4,801 and above			0%	0%

Note: Beneficiaries can tap on subsidies for SMF (Consumables) up to the annual subsidy cap, which ranges from \$400 to \$2,600, depending on their subsidy tier.

Source: MOF, Annex F3

Table 6: Expanded Coverage for Home Healthcare Items under SMF (Consumables)

S/N	SMF Consumables
Items currently covered under existing coverage	
1	Catheters and catheter set
2	Nasogastric tubes and pH test strips
3	Milk feeds
4	Thickeners
5	Nasal tubing
6	Diapers

S/N	SMF Consumables
7	Dressings
Additional items to be covered with expanded coverage	
8	Syringe with no needle
9	Underpads
10	Urine bags
11	Urine bag hanger
12	Stoma paste/strip/ring
13	Stoma baseplate/wafer/barrier
14	Elastic tape for baseplate/wafer/barrier
15	Brava/Stomahesive powder
16	Lubricating deodorant
17	Stoma bag
18	Stoma bag closure clamp

Source: MOF, Annex F3

Table 1: Changes to the MRSS from 1 January 2026

Changes	Current	From 1 January 2026
Target group	Eligible Singapore Citizens aged 55 and above	Eligible Singapore Citizens who are a. aged 55 and above; or b. registered persons with disabilities of all ages
Matching grant cap	\$2,000 per year, with a \$20,000 limit over an eligible member's lifetime	No change
Eligibility criteria	<ul style="list-style-type: none"> a. CPF savings below the current Basic Retirement Sum²; b. Average monthly income not more than \$4,000; c. Does not own more than one property; and d. Annual value of residence is not more than \$21,000. 	No change

Source: MOF, Annex F4

Table 1: SG60 Package

Measure	Summary of Measure
SG60 Vouchers	One-time SG60 Vouchers for all Singapore Citizen adults aged 21 years and above in 2025.
Personal Income Tax Rebate	Personal Income Tax Rebate of 60% of tax payable for all tax resident individuals for the Year of Assessment 2025, capped at \$200 per taxpayer.
SG60 Baby Gift	An SG60 Baby Gift for all SC babies born in 2025.

Table 2: SG60 Vouchers Quantum

Year of Birth	SG60 Voucher Quantum
1965 or earlier (i.e., aged 60 and above in 2025)	\$800
1966 – 2004 (i.e., aged 21 to 59 in 2025)	\$600

Table 3: The Government's and Tote Board's Matching Support for the EFR Programme from FY 2006 to FY 2027

EFR Matching Support	FY 2006 to FY 2019	FY 2020 to FY 2024	FY 2025	FY 2026	FY 2027	Committed Budget (from FY 2025 to FY 2027)
Tote Board	20% of funds raised, up to \$50,000 per application ^[1] .	40% of funds raised, up to \$100,000 per application and up to five applications per charity per FY ^[2] .	40% of funds raised, up to \$100,000 per application and up to five applications per charity per FY.	20% of funds raised, up to \$50,000 per application and up to five applications per charity per FY.		\$170 million
Government	Nil.	60% of funds raised, up to \$150,000 per charity per FY.	60% of funds raised, up to \$150,000 per charity per FY.	30% of funds raised, up to \$75,000 per charity per FY.	Nil.	\$100 million

Notes:

^[1] In celebration of Tote Board's 30th anniversary in FY 2018, there was a one-off matching at 40% of funds raised, up to \$100,000 per application.

^[2] Five applications per charity cap introduced from FY 2021 onwards.

Source: MOF, Annex G1

Table 4: Parameters of General and Enhanced Matching

	General matching	Enhanced matching
Matching ratio	\$1 Government matching for every dollar donated	Up to \$1.50 Government matching for every dollar donated
Eligibility period	1 January 2025 to 31 December 2025	1 January 2025 to 31 December 2027
Requirements	No minimum donation amount or commitment period	Donations of at least \$250,000 each year, for a three-year commitment period

Table 5: Illustration of General and Enhanced Matching

	Donation			Corresponding Matching Grant		Total funds
	2025	2026	2027	Eligibility	Total matching	
Donor A	\$250,000	\$0	\$0	Eligible for 1:1 matching for donation made in 2025	\$250,000	\$500,000
Donor B	\$250,000	\$250,000	\$250,000	Eligible for 1.5:1 matching for donations made in 2025-2027	\$1,125,000	\$1,875,000

Table 6: List of companies that have committed to providing promotions to celebrate SG60

S/N	Company
1.	Badaling Holdings Pte Ltd (at FoodHub locations)
2.	Broadway Food Centre (Holdings) Pte Ltd
3.	Chang Cheng Holdings
4.	Koufu Group
5.	NTUC FairPrice Group
6.	Sheng Siong Group Ltd

Source: MOF, Annex G1

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